

THE OHIO STATE UNIVERSITY  
OFFICIAL PROCEEDINGS OF THE  
ONE THOUSAND FOUR HUNDRED AND THIRTY-EIGHTH MEETING  
OF THE BOARD OF TRUSTEES

Columbus, Ohio, December 7, 2007

The Board of Trustees met at its regular monthly meeting on Friday, December 7, 2007, at The Ohio State University Longaberger Alumni House, Columbus, Ohio, pursuant to adjournment.

\*\* \*\* \*

Minutes of the last meeting were approved.

\*\* \*\* \*

## **December 7, 2007 meeting, Board of Trustees**

The Chairman, Dr. Cloyd, called the meeting of the Board of Trustees to order on Friday, December 7, 2007, at 8:30 am. He requested the Secretary to call the roll.

Present: G. Gil Cloyd, Chairman, Karen L. Hendricks, Dimon R. McFerson, John D. Ong, Walden W. O'Dell, Brian K. Hicks, John C. Fisher, Alan W. Brass, Algenon L. Marbley, and Debra J. Van Camp.

--0--

Dr. Cloyd:

I hereby move that the Board recess into Executive Session for the purpose of considering personnel matters regarding compensation and employment and for the purpose of discussing matters required to be kept confidential by State Statute.

Upon motion of Dr. Cloyd, seconded by Amb. Ong, the Board of Trustees adopted the foregoing motion by unanimous roll call vote, cast by Trustees Cloyd, Hendricks, McFerson, Ong, O'Dell, Hicks, Fisher, Brass, and Marbley.

--0--

Dr. Cloyd reconvened the meeting at 12:20 pm.

Present: G. Gil Cloyd, Chairman, Karen L. Hendricks, Dimon R. McFerson, Jo Ann Davidson, John D. Ong, Leslie H. Wexner, Walden W. O'Dell, Brian K. Hicks, John C. Fisher, Robert H. Schottenstein, Alan W. Brass, and Algenon L. Marbley.

--0--

Dr. Cloyd:

Good afternoon and thank you all for being here. Last week Governor Ted Strickland appointed Mr. Ronald A. Ratner, of Cleveland, Ohio, as our new Board member. Mr. Ratner could not be with us today, but we look forward to having him join us at our February meeting.

--0--

### **PRESIDENT'S REPORT**

President E. Gordon Gee:

Ladies and gentlemen, I had a very short report last time and I am going to lengthen it a bit, but I am only going to concentrate on one topic. I have all of these notes about the wonderful things going on at the University, and indeed they are, but today let me report on a singularly important activity and event that has taken place at this University by expressing the Board and the University's congratulations to Jessica Hanzlik. We have a resolution that I would like to refer to and it is on the Board's consent agenda as well.

Jessica is from Pickerington, Ohio, and has this month been named a 2008 Rhodes Scholar, one of 32 students nationwide

## **December 7, 2007 meeting, Board of Trustees**

who have demonstrated superior academic ability, leadership, and the potential to make an effective and positive contribution throughout the world.

Her accomplishments as an outstanding student with majors in physics and French, include: election to Phi Beta Kappa; being the recipient of a distinguished Merit Scholarship; a Battelle Scholarship and a Robert C. Byrd Scholarship recipient; recognition for outstanding achievement in physics, mathematics, and scholarship in the Colleges of the Arts and Sciences; pursuit of a degree with distinction in writing a senior honors thesis in French; and achievement of a 3.96 grade point average.

Jessica's accomplishments as a student leader include: serving as founder and President of the Women in Physics Organization and the Women in Math and Science Organization, service on the Honors Student Advisory Board, the Peer Research Contact, and Student Advisory Board. All have earned her the respect and recognition of the University community.

Jessica is the first female selected from Ohio State and only the fifth Ohio State University student to be selected as a Rhodes Scholar -- and the first one since 1986.

We understand that she will continue her studies at Oxford University in high energy physics and continue her efforts to enhance the role of women in STEM fields.

Jessica, it is a real honor for us to have you represent this University and I know that you will do it very well. I have had an opportunity to spend some time with Jessica and she is not only a wonderful scholar, obviously, and very passionate about the fields of physics and the world of science, but she is also one of the great, strong advocates and spokespeople for The Ohio State University.

Jessica, the Chairman and I would like to congratulate you and let us bring forward our resolution and hand it to you.

Ms. Jessica Hanzlik:

I'm not sure what I am supposed to say right now, but thank you. I think what I am most proud of is that Ohio State is a great school and I hope that this sort of award can bring more recognition to Ohio State and to the quality of education that I have received here. The support and the resources are astounding. Every day I discover more opportunities at Ohio State that I didn't know about yesterday, so I have had a great four years here and I look forward to the future.  
Thank you.

President Gee:

Thank you, Jessica. Mr. Chairman that is my report. I should comment on the fact that I have been in office 65 days and we are going to the national championship football game, so I am giving myself full credit for that!

--0--

**COMMITTEE REPORTS**

Dr. Cloyd:

At this time, we will hear committee reports and I would like to begin with Mr. Brass for the Medical Affairs Committee report.  
Mr. Brass –

Mr. Brass:

Thank you, Mr. Chairman, and good afternoon everyone. We had a very extensive meeting this week as it relates to our Medical Center and specifically as it relates to the expansion project that will be forthcoming.

Dr. Souba began the meeting by giving us a State of the Union address and did a wonderful job. There were a couple of things that I thought would be helpful for the Board to understand. First of all, it is important for us to give back for our mission. It was reported out that through the Medical Center system we did that through our community benefits at \$100 million plus. As Board members, in light of our non-for-profit status, we need to all be cognizant of that.

The second thing that I would like the group to be aware of today is the fact that our research endeavors have had phenomenal growth. When we take a look by any measurement, we should be very, very complimentary of that. When we look at research growth from the year 2000-2006 our growth in the medical system has been from \$80 million to close to \$200 million and our NIH growth has been from \$60 million to \$100 million. Now NIH is the gold star; it is very difficult to get NIH grants and our faculty has done a wonderful job. It will be tougher as life goes forward and, therefore, we need to be very supportive and complimentary of that.

We have a large group of residents, medical students, and fellows that we have responsibility for training and sometimes we lose sight of that. We have in excess of 800 students and 400-500 residents and fellows that are receiving their medical training here right now.

I would like to move us forward into something that will be very critical as we go forward and make some very large decisions on capital allocations in the not too distant future. First is the strategic plan for the Medical Center. We currently have a strategic plan that is in play that will carry us from 2007 to 2014, complimented by a financial plan and capitalization plan. One of the major goals in that plan is to get us into the top 20 academic medical centers; we are now 35<sup>th</sup>. That is not a small feat, especially with the various competitive forces moving across the country as it relates to their goal sets at other medical centers as well.

## **December 7, 2007 meeting, Board of Trustees**

We recently brought in two sets of consultants to take a hard look at both our building plans and our strategic financial plans. We need to be cognizant of the fact that we have to go back and re-verify, revalidate, and relook at some of the unresolved issues in those plans. We need to make sure that the alignment of priorities is done correctly. We need to make sure we are phasing the project correctly, and we need to make sure that the financial implications are well understood in the right order.

Right now we are running approximately 1,080 beds as it relates to our inpatient acute care divisions and calls for us to add between 300 - 400 more beds. When you take a look at the critical lines within that statement, we know that cancer is one of those areas. We know that the critical care arena is one of those areas and there are others and here comes the priority issues.

As we reengage and revalidate the strategic plan and when we look at the unresolved issues, I would like to highlight what we believe we will be focusing down on: we will take a look at the priorities of the bed needs; we will reevaluate the ambulatory care visits and volumes; and we will take a look at the faculty needs – we are running with approximately 700 faculty members right now. We will take a look at the philanthropy drivers – right now we have \$500 million on line to be calculated in the plan, which \$50 - \$100 million is driven towards bricks and mortar. We have to take a hard look at the movable, capital equipment needs and the phasing of the circuit breakers. We have six signature programs that, in fact, are being proposed and will stay with those six signature programs. We have three research protocol programs that will basically cut across all of our systems. We need to take a look at our financial needs – both our EBIDA and our cash on hand, our operating margins, and our debt service.

A couple of very important things, as part of the process of review, we will make sure that the Medical Center Strategic Plan in moving forward is consistent and totally compatible with the University's strategic plan, including its debt capabilities. We will look at the volume forecast. We will make sure that we have a full understanding of what is not included in this plan, which is just as important as what is.

The last thing that is moving very well is taking a look at the various scenarios from a construction standpoint that could take place and in what order they may take place.

That is a mouth full and over the next 3-5 months we are going to take a look at those critical lines. I'm very happy to report that the executive staff and the medical leadership staff are very much working together.

The comments I just made are in full alignment with our new president as how it relates to where the University wants us to go as well. So with that, Mr. Chairman, we had a great meeting and it was a good review, and we have a lot of work yet to do.

Dr. Cloyd:

Thank you, Mr. Brass. Any questions or discussion?

## **December 7, 2007 meeting, Board of Trustees**

Mr. Schottenstein:

That was a great report and, Alan, what you said takes this into account, but I just want to ask it in any event. I know that we see, at least throughout the state and certainly in central Ohio, hospitals opening up satellite ambulatory or other kinds of facilities – sort of like a branch banking strategy if you will. As part of the strategic inquiry that you outlined, my question would be to the extent to which Ohio State chooses to locate satellite medical facilities away from the campus will be examined as well. Is that correct?

Mr. Brass:

Mr. Schottenstein, that is a correct statement. In order for us to have a long range plan and a short range plan and to drive the ambulatory and urgent care business, part of that will be a decentralized satellite system. So the answer is yes.

Ms. Hendricks:

Alan, tell me again about your timing. You said you had all of this to do, when do you think you are going to be coming forward?

Mr. Brass:

At the next Board meeting or the next Medical Affairs Committee meeting we will be going in-depth on these various critical items, but there is a lot of planning that has yet to take place. So I think we will begin tackling each and every one of these things as early as the next Medical Affairs Committee meeting. Now it won't be done in one meeting, this is going to be an ongoing process and we also have to make sure that, in fact, it lines up with the University's strategic plan as we continue to develop that. We will be fast tracking.

President E. Gordon Gee:

Karen, we are presented with a great opportunity of having a master planning process taking place in the Medical Center. This is what Mr. Shkurti has been doing, what Provost Alutto has been doing, what I've been doing, what our folks in the Medical Center have been doing, is now revisiting the Master Plan based upon some of the assumptions and some of the issues. Things have changed and we want to move it forward, but we want to move it forward as an aligned proposition with the over all conceptual planning of the University. That is the reason that February is going to be very important, because we do not want in any way to give any signal that we are not committed to moving this forward. We want to make certain that we stage it and move it in the right way and that we have the data that allows us to be confident in those decisions.

Dr. Cloyd:

## **December 7, 2007 meeting, Board of Trustees**

Any other questions or comments? Thank you, Mr. Brass. Mr. Schottenstein, we will now ask for your Audit and Compliance Committee report.

Mr. Schottenstein:

Thank you, Mr. Chairman. The Audit and Compliance Committee met yesterday and the first thing I will say is that we have a new committee name – we are now Audit and Compliance. I think it was you, Mr. Brass, who suggested we expand the name of the committee not just as a matter of ceremony, but as a matter of subject matter review. I think that was a very good suggestion.

We had two topics yesterday that we dealt with and the first one I am going to take a couple of minutes to describe. It was the interim final report that we received from our consultants, PWC, in response to their operational audit. As it relates to that, I thought I might just take a minute or two to give some context to this whole thing.

As this group will recall, it was earlier this year when this Board asked that we undertake an operational audit of various aspects of the University's systems. Pursuant to that and following an RFP process, it was in May of this year that the Audit Committee engaged PWC to conduct this review focusing on a number of things and hopefully getting to the answer of the question, "How do we know what it is that we don't know?"

The review was comprised of four separate work streams. The first one was a work stream that was designed to take a look at our strategic context and decision making. This involved an assessment as to whether or not this Board was effectively involved in strategic decisions. For purposes of undertaking that review, PWC looked at five separate strategic initiatives: 1) the establishment and operation of Campus Partners; 2) the establishment and operation of UMC Partners; 3) the Biomedical Research Tower; 4) the Targeted Investments in Excellence; and 5) the decision to merge the Colleges of Education and Human Ecology. Now let me underscore that these five weren't picked because they were viewed to be problems, we had to pick five just to study this process and we thought these five represented a very good sampling, or at least PWC did.

In each case the questions that PWC looked at were the following: Who had the idea? How was it implemented? Once the implementation began, how was it managed? Was there consistency of execution? Was this Board appropriately involved? How do aspects of centralization and decentralization fit into their continued management? As it relates to the Affiliated Entities, are we properly managing them today? Are they fulfilling the mission for which they were originally created? Are we monitoring them in an effective way? That was the first work stream.

The second work stream had to do with operating compliance and internal controls. As part of this work stream, PWC assessed the University's operating environment and how that environment, in both cases, central control and a very strong decentralized

## **December 7, 2007 meeting, Board of Trustees**

operation help or hinder our ability to advance various compliance and control issues.

The third work stream has to do with reporting. PWC looked at the accuracy and completeness of reporting practices and reporting processes including the manner in which we follow-up once we have made a decision on any one of a number of items. They also reviewed the Board of Trustees' packages, the senior leadership reporting packages, and the review of relevant financial and management reports.

The final work stream -- which in some ways weaves its way through the first three -- was a benchmarking study where they examined each of the first three; they looked at what other universities are doing. Among the universities that participated in the benchmarking were: Indiana University; University of Virginia; Penn State; the University of California System; Harvard University; University of Michigan; University of Minnesota; University of Wisconsin; and the University of Missouri. While we don't have complete information from all of those schools as it relates to each one of these, there was a little bit from each to help in PWC's report.

PWC reported to the Audit Committee back in September with an interim report and the meeting yesterday was their final report. That report contained a whole series of recommendations divided into minor and major recommendations. It was the feeling of the Audit Committee that the next step before coming back to this Board is for that report to be vetted, assessed, prioritized, and thoroughly analyzed by Mr. Shkurti and Provost Alutto. After they have done that to come back to the Audit Committee with their distillation, if you will, of the report and then for the report to come to this Board.

I will say that while they did not give us a grade, I think the report was very substantive. There are a lot of good suggestions, and, in some cases, some very positive comments about our operation. We can all look forward to hearing that final report, once vetted, hopefully if not by the February meeting the meeting thereafter.

The second item was a report on the OSU Medical Center's Integrity Compliance Program presented by Dr. Hagop Mekhjian. In 1996, this Board established a Medical Center Integrity Compliance Program dealing with all types of ethical practices and many relating to billing as they relate to the Medical Center. I will note that -- and I was unaware of this -- that we were one of the first universities in the country to establish a program like this. The report was a good one and there have been no sanctions.

That concluded the business of our Audit and Compliance Committee and if there are any questions, I will be happy to answer them.

Dr. Cloyd:

Thank you, Mr. Schottenstein. It seems to me that the PWC report would be relevant and very helpful to the activities that



## **December 7, 2007 meeting, Board of Trustees**

have been initiated here in the University both in terms of looking at strategic planning across all of the operational units and the budgeting process. As part of the vetting, do we know, will that utilize the learnings from those activities that are underway?

Mr. Schottenstein:

I think the short answer is yes. Frankly, some of the things that the Provost has already begun to implement, in terms of the new approach towards the budgeting process, actually were recommendations by PWC. They acknowledged that we are actually ahead of them in some of that, because that is something that we are now doing that we weren't doing when they did their study. That is one of the reasons that we want the next steps for Mr. Shkurti and Dr. Alutto to vet this report and to ensure that.

Dr. Cloyd:

That is great. Other questions for Mr. Schottenstein? Thanks, Bob. We will next have the Development and Investment Committee report from Mr. Wexner.

Mr. Wexner:

Thank you, Dr. Cloyd. We had a very good meeting yesterday and most of it was focused on investment. We did not get to the development side. I think that the conclusion was that we need more expertise. We need to do more benchmarking. We need to understand more about investment practices that are best practices by our Big Ten peers or top universities of our size and scale; and because of the nature of the investment side, probably more meetings since the investment markets move quickly, so it is a combination of what we are doing.

I think yesterday's meeting was an on-boarding for all of us. We did decide to look to reallocate how our funds are invested and the managers of those funds because our performance is not to our satisfaction. When we look at three-year returns on our investment against what we consider the peer institutions – the other very large institutions like Ohio State – we lag that top tier by more than 6% in returns over a three-year basis and each percent is about \$24 million. This is really a burning platform for us to look at what we are doing, how we are doing it, and move us to top quartile performance as soon as possible.

On the consent agenda there is going to be a recommendation for approval. I will have to abstain because I have a conflict and I think other members of the Development and Investment Committee are also. I am supportive of the changes, but I find myself in conflict. Thank you.

Dr. Cloyd:

Thank you, Mr. Wexner. Any questions or comments? Let me just make one statement and applaud the depth of the work that has been done here and understanding the realities in getting a specific plan in place so that we can enhance the return on our

## **December 7, 2007 meeting, Board of Trustees**

long-term investments. We obviously have room for improvement and I am confident we will get ourselves there. Thank you.

We will next have a report from the Committee on Trusteeship.  
Mr. McFerson –

Mr. McFerson:

Thank you, Mr. Chairman. As we all are witnessing, this is the first of our new two-day operating model and the new committee organizations and new membership on those committees. As Les said, there was some on-boarding taking place in his committee and there was a lot of that taking place all day yesterday. It is great to see that it is working.

The Committee on Trusteeship talked about a half a dozen matters. The first is a matter that you have before you and we would actually like to take a vote on this so that it is in the record. I am sorry we didn't have it in the agendas, but we came up with this yesterday. What it has to do with is the appointment of non-trustee Board committee members and some guidelines. We have had in the past, non-trustee membership on the Audit Committee, the Investments Committee, Medical Center Affairs Committee, and Agricultural Affairs Committee. It is likely that we will want to continue doing that and maybe even expand that, but we should have in place guidelines to help us.

It is very clear that this Board of 15 does not represent all of the skill sets required to do the job on all of the committees. There are very well-qualified people from the community who can help us be sure that we bring all of the right skills to the table and to assist the Board of Trustees in their committee work:

Resolution No. 2008-53

### **NON-TRUSTEE BOARD COMMITTEE APPOINTMENT GUIDELINES**

1. Non-Trustee Board Committee appointments will be for two years and be eligible for a second two-year term for a maximum of four years.
2. Committee appointments will be made by the chair of the committee following discussion with his/her trustee committee members.
3. In general, no more than three non-Trustee Committee members will be appointed to any one committee. In all cases, the majority of any committee membership must be trustees.
4. Prior to contacting any potential non-trustee appointee, the committee chair will first have a discussion with the Vice President and General Counsel to ensure there would be no conflict of interest.
5. Non-Trustee Committee members will agree to abide by the Board's Statement of Expectations as it relates to their University committee work.

## **December 7, 2007 meeting, Board of Trustees**

Mr. McFerson:

I will make a motion then that we accept those guidelines for non-trustee Board committee appointments.

Upon motion of Mr. McFerson, seconded by Mr. Fisher, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

Dr. Cloyd:

Any questions or discussion on these proposed guidelines?

Ms. Hendricks:

I know that when we had setup the Audit Committee, we really felt that getting the expertise of people who would meet Sarbanes-Oxley and financial literacy requirements would be helpful since we aren't in control of the nature of these appointments since the Governor appoints all trustees. I would say that I thought they brought exceedingly added value to the Audit Committee. I am assuming that if we would expand this that that would be a benefit altogether and it is a way to get some independence. Now we did that for a particular expertise, but it seems to me that it would probably be applicable. So it is something that seems to make sense based on our positive experience at least in the Audit Committee.

Dr. Cloyd:

Thank you, I would agree. Mr. Brass –

Mr. Brass:

Dr. Cloyd, I also like this very much. A point of clarification, I know the President is in the process of recruiting a chief executive for our Medical Center and, specifically, I am referencing the Medical Affairs Committee. We have had outside trustees on the Medical Affairs Committee up to this point and at this time we are in the process of reorganizing, through the President's Office, how the committee structure or whatever we want to call sub-boards might be at this time and going forward. I want to make sure that as we move forward, if we kept the non-trustees that are currently serving in play, we have the flexibility of making changes at any point so that it is consistent with where the President's Office and where the organization wishes to go. Is that a fair statement?

Dr. Cloyd:

As we have discussed it, yes. One of the things that we talked about was that we really want to give the committee chairs flexibility and we recognize that different committees are in different stages of construction, if you will. As you mentioned, in the case of the Medical Affairs area, there is a host of other things going on and how we want to structure and how we want to operate, including who will be the new head when we finish the search process. I think the best guidance is the chairs should have flexibility for these meetings. We have the non-trustee

## **December 7, 2007 meeting, Board of Trustees**

committee members continue to attend. I think that should be the committee chairs' decision on how they want to proceed until they are ready to make the full appointments. The only thing that I would ask is that the committee chairs would personally communicate with their current non-trustee members, so that they will understand what the plans are and the process. I think it would be best to handle it that way. I think that flexibility, as we said when Mr. McFerson's committee brought the new operational structure to us is important. This first year is really going to be a transitional year and we are going to have to work our way through it. So that is what I think would be the best thing.

Mr. McFerson:

I would agree with that.

President Gee:

Let me just add that -- so we can not be confused -- I think a little transparent here. One of the opportunities of being a new President -- Gee XIV -- is to take a look at the structures and functions of the institution in light of the need on going. That is the only thing that I have said to the Hospitals Board, The James Board, and to a number of boards that we are going to take a very careful look about how we structure these boards with their input and with a lot of conversation including some of the consultants we have from the outside. We are trying to align the University in every aspect so there is true alignment and so that there is also a real level of simplicity and agility. It is in light of that that we are having those kinds of conversations. So everyone is being consistent and it is just that we are giving ourselves a little bit of flexibility. I think this is a wonderful resolution.

Mr. Fisher:

Dimon, this is not an amendment to your governance protocol? This is a stand alone document.

Mr. McFerson:

No. This is a stand alone document. We are just giving some guidelines on the appointment of non-trustees and, in fact, the encouragement to committee chairs to consider up to three non-trustees to serve on their committees as they see fit. As Dr. Gee pointed out, in the Medical Affairs Committee there is a lot of change going on there, so maybe you want to stay with what you have for while. For instance, in the Audit Committee there is not a whole lot of change going on. That Committee is pretty much now the way it was and the two outsiders have served well, and so the chair will decide if he wants continuation there or add a third non-trustee member or whatever. These are the guidelines under which we would ask the chairs to follow.

Mr. Brass:

I think your suggestion, Dr. Cloyd, is a very good one. That is to make sure that there is good communication with those who are

## **December 7, 2007 meeting, Board of Trustees**

serving if we wish to have them continue. In the case of Medical Affairs, to make sure that they understand, we are in this process of change and I will ask them to continue on until which time as we are finished with the review process.

Dr. Cloyd:

Excellent. Any other questions or comments on the guidelines?

Judge Marbley:

Dr. Cloyd, I would like to commend Dimon's committee for drafting these guidelines. I think the importance of this is it gives us an opportunity to expand our committees, to bring in more diverse and divergent view points, and to bring in other levels of expertise. I think it is particularly critical for our Committee, the Medical Affairs Committee, as we move forward, because with the exception of Mr. Brass, we don't have anyone on our Board with the level of medical expertise to handle some of the vexing and technical problems that we have involving our health care finances at the Medical Center. So I would like to applaud the efforts of his committee for doing that.

Dr. Cloyd:

Thank you, Judge Marbley.

President Gee:

It is also an opportunity for us to reach out and find wonderful people outside of the University and the state. I'm pointing to Development, I'm pointing to Investments, and I'm pointing to Audit, the opportunity for people to come and participate with us, but to also carry the message about what we are doing is enormously important. This allows us a real chance to raise the profile of the University, as well as get great expertise. I really applaud that.

Dr. Cloyd:

An excellent point.

Ms. Hendricks:

I just wanted to reinforce the idea of it being the one opportunity we have to get people outside the state – I just love that idea. The other thing was on Investments. I think there is a requirement maybe that we have people who are from the Foundation Board sitting on it. Can we expand outside of that or do they have to be from the Foundation Board?

Mr. McFerson:

Karen, we talked about that particular requirement. That was a question that was raised and we didn't have the specifics on whether that is indeed a bylaw coming out of the Foundation or not. It is an issue that needs to be further investigated, but it has

## **December 7, 2007 meeting, Board of Trustees**

certainly been a practice that we have had two representatives from the Foundation Board serve on the Investments Committee.

Dr. Cloyd:

We will find out and there will be additional follow-up with Mr. Wexner regarding what he wants to do on his committee.

Mr. McFerson:

I would just like to say one more thing and to our Chairman's credit, he really has put the responsibility on the committee chairs. We could have easily have said, "Subject to the approval of the Board Chair," but he was adamant that this issue needs to be resolved at the committee-level by the committee chairs. I think that is important. We are trying to do less bureaucracy, Dr. Gee.

President Gee:

I think that is important. I think that in light of the governance changes we have made that the empowerment of our committees and committee chairs is a signal of great confidence in the Board process itself. Our Chairman is to really be applauded for that. There is a natural instinct to try and funnel everything and in this instance I think this has been a very positive message.

Dr. Cloyd:

Thank you for that. We need to vote on this resolution and we can do that with a voice vote. All in favor of adoption of the guidelines; any body opposed? They are adopted.

Mr. McFerson:

Thank you. To continue with the report, next Christopher shared with us some student trustee selection conversations that he has held with the student leadership around campus and we discussed that for a period of time. We have nothing specific to comment on there at this time.

We next talked about operationalizing the Statement on Expectations. This is an important one, folks. We have spent a lot of time on this as a Board and it is important now that the Board chairs and vice chairs and the committees, in fact, really make certain as they go forward with the administration in developing the agendas and putting together the committee meetings that we operate under the spirit of the Expectations document that we all approved. So we talked a little about that and will continue to have it on our agenda for the next few meetings as we move forward. The last thing any of us wanted to see happen is to have this Statement on Expectations sit on the shelf and not be implemented or operationalized.

We then spent some time talking about the orientation of new Board members. Mr. Ratner is one that none of us on the Committee have met and the process will begin with Dr. Gee and Chairman Cloyd before we next meet and then there will be a

## **December 7, 2007 meeting, Board of Trustees**

process taking it down from that level. Part of the orientation will also include spending time with each Committee chair. Of course that doesn't need to happen immediately, but should happen rather soon so that there is a broad understanding of what actions take place at this Board. Committee assignments have already been given to Mr. Ratner and I don't have those right in front of me, but he has been assigned to a couple of committees. We will have yet another new appointee coming in May – just six months from now – and so our process of orientation that we put in place for Mr. Ratner will be one that we will want to address and maybe refine or expand for the new appointee in just six months.

We next talked about the Board Chair process. You will recall a year ago, as this Board was expanded from nine to fifteen, we put in place a process on our own leadership. That process was reviewed and it calls for an annual appointment even though it is fully expected that it will be two-year appointments with the option of going a third year. So the Committee on Trusteeship will review that at the February meeting and bring that back to this Board for an April vote. That will be before the new trustee takes place in May.

We then spent a few moments talking about our next steps with Dr. Chait and no resolution was developed there. He is an individual that we have come to respect, he has come to know a lot about the University, he has come to know a lot about us, and it is a relationship that we all feel we want to continue. So we will find a way to do that.

That is the end of my report.

Dr. Cloyd:

Thank you, Mr. McFerson. Any questions or comments on other aspects of this committee report? We will next have the Academic and Student Affairs Committee report, Ambassador Ong.

Amb. Ong:

The Committee's first action yesterday was to spend some time talking about our agenda for the year 2008. We took notice of the fact that the President has now very carefully outlined his six strategic priorities. In our Statement of Expectations, which we approved at our last meeting, this Board has among other things concluded that we must focus our main efforts on the long-term strategic priorities of the University. For that reason, we have concluded that we will reshape our agenda and deal probably with one, certainly not more than two, major strategic issue at each of our meetings.

As chairman of the Committee, I had met with the Provost prior to yesterday's Committee meeting and we have a conceptual agreement on a half a dozen such topics. The Provost has promised that sometime in January he will get back to me with a more precise definition of those six and with his recommendations regarding the timing with which we would address them. The Committee is in agreement with this -- that a

## **December 7, 2007 meeting, Board of Trustees**

paper will be circulated to the Committee after I receive it and we hope to do all of that prior to our meeting in February.

We then had two major items on the agenda. The first one was very much in line with what I just covered, which was a discussion with the Provost about his strategic planning process with the 18 colleges in the University. I have taken the liberty of stealing a couple of his slides.

As you can see, the intent is – beginning, of course, always with the Academic Plan and the President's priorities -- to align the goals for the University as a whole with the goals for the constituent colleges and they, in turn, with their constituent departments and some of the special programs that reside in one or the other of them, and then to tie all of that to annual college, department, and program leadership assessments and efforts. This is not the first strategic planning process that has been put in place at Ohio State University, but it is importantly, as I understand it, the first one which is not purely aspirational in nature. It also considers ways and means to achieve the aspirations so that University management can have some ability to judge how many aspirations we are capable of fulfilling.

The Academic Plan and the President's six strategic goals are the guiding light. Each of these college plans must have: a facilities aspect; a financial plan; a capital plan - obviously relating to facilities; a technology plan for whatever kind of research effort is needed in order to fulfill the plan; a development plan for obtaining private sector funding, in addition to University funding; and finally a people plan – what faculty are needed, what kind of students perhaps need to be attracted in order to carry out some of the aspirations in college X, Y, or Z.

This slide is a little daunting, but, again, we start with the strategic goals and the existing Academic Plan. The college plans are going to be five-year plans in nature. The idea is that they will be put in place by roughly June 2008 and thereafter on an annual basis for the ensuing five years. They will be reviewed in order to see whether progress is being made toward the longer term goals enunciated in them. The original plans, when approved, will include mile posts for each of those subsequent years, so that those judging progress have something very specific and metrical to look at. If there are three milestones to be obtained in year three, we will be able to say, "Did you meet those three milestones or not, and if not why?"

Then, of course, trickling down from the college plan will be department plans and we have a number of special programs – more than 50 I believe – and those need to be evaluated separately. There again you see the assessments of unit progress, the assessments of college progress, and the multi-year program reviews for the special programs that I mentioned. Finally, you will see in each case the assessment leads to the material needed to assess the performance of the dean of each college and in turn to assess the performance of department heads and other units or special program leaders.



## **December 7, 2007 meeting, Board of Trustees**

Following this we had a brief presentation on the multi-year program reviews by Vice Provost Randy Smith. This is a process which we concluded now, I believe, about 20 of these programs and we have about 30 to go. It is a much shorter program than previously reviewed and the pilot process of this took place just a few years ago. The Committee did note that giving all of these college and department strategic plans, plus the program reviews, is a lot of work for a lot of people. We suggested that a lot of thought be given to scheduling this in such a way that we didn't overload any particular part of the University. Our general review was that this seemed like a very sensible system. We have agreement that the Provost will come back to us probably a couple of times during 2008 and once certainly in June or July when he has most of these reports in hand, and perhaps once more toward the end of the year to see how implementation is coming along.

Secondly, we had a presentation led by Dr. Martha Garland about student-athletes and their academic performance and what the University is doing to spur that academic performance. We looked at the numbers and the numbers are impressive. As most of you know, Ohio State supports more varsity athletic teams than any other university in the country – 36 in all. We have over 800 student-athletes engaged in those 36 sports.

Dr. Garland soon handed over to David Graham, who is the director of the Student-Athlete Support Services Organization or SASSO, the rest of the presentation. We were delighted to learn in 2005 that SASSO was moved from the Athletic Department to the Office of Academic Affairs, so now it is directly a part of student services and is independent of the Athletic Department. Gene Smith was with us and felt that that had been a key and quantitative move.

Mr. Graham related statistics of our student-athletes and based upon grade point average: 30% are high ability students, performing at a high level; 65% are good, average students; and we have about 5% that need considerable help to perform at their best in the classroom. The average GPA of all student-athletes – the 800 plus – is currently 3.01, which is exactly the same average GPA as all OSU students. So on average student-athletes are on par with students as a whole. Mr. Graham reviewed the various programs that he has in place to assist those students, particularly those in the 5% category to increase their skills.

Following his presentation, we had Dr. John Bruno, Ohio State's representative for Athletics with the NCAA, talk about some of the changes or reforms that the NCAA has instituted recently. These reforms include: enhancements in initial eligibility requirements, increases in continuing eligibility requirements, which basically relates to progress towards receiving an academic degree, and the development of objective metrics for quantifying current and historic academic performance – much of which is not based on an individual assessment, but a team assessment.

Dr. Bruno went through with us some of the statistical methods that are used by the NCAA. I won't try to repeat those to you, but

## **December 7, 2007 meeting, Board of Trustees**

I would say that he showed the NCAA scores for all of our teams – both men's and women's sports – and the majority of our teams are performing very well academically. These measurements were presented to us in comparison with other schools and with NCAA averages. We actually have five sports teams that are operating at a statistical level of 1,000, which is the highest possible. As an old fencer, I was glad to see that fencing was one of those. More importantly, our football team has been making very steady progress. Its numbers are still lower, but it is making very steady progress of improvement over the last four years which is quite effective. The men's basketball team is the one area that needs good improvement and I think both Academic Affairs and the Athletic Department are very, very much aware of that.

That is my report.

(See Appendix XXVI for background information, page 707.)

Dr. Cloyd:

Thank you, Ambassador. That was an excellent report. I am always amazed, as I learn another one of your skill sets and I think I have a better understanding now of your rapier-like wit. Questions or comments on the Ambassador's report?

President Gee:

One of the things I want to say is thank you, John, for setting us on a very positive course with this committee. We really do appreciate it. It is very consistent with what we are trying to do. Second of all, I know that this looks a little bit complex, but the truth of the matter it is not quite that complicated. Most importantly what it does do is it holds – as you said, we are developing a plan with which there are a lot of expectations. Kin to those expectations are how we as a University administration perform, too. We are holding everyone to accountability. There is a strong accountability formula there and I am very grateful for that.

Dr. Cloyd:

Thank you. We will next have the Fiscal Affairs Committee report. Speaker Davidson –

Mrs. Davidson:

Thank you, Mr. Chairman. We started out the Fiscal Affairs Committee meeting yesterday afternoon with several annual and quarterly reports that I just want to comment on briefly. One was the annual report on the Lines of Credit, which are internal lines of credit that are extended to our academic support units or colleges or regional campuses. The annual report says that we have 25 lines of credit with an outstanding balance of a little over \$90 million, with all of these in compliance with the rules. That total has decreased by \$20 million since the last annual report.

## **December 7, 2007 meeting, Board of Trustees**

We had an in-depth report on deferred maintenance, which as you know is a continuing concern of the Board. We have an estimate of our deferred maintenance exceeding about \$1 billion and it is up by about \$22 million from the last report that we had. This covers 33 million square feet of space on this campus. There was a lengthy discussion as to whether or not this \$1 billion plus amount really reflects our deferred maintenance problems on campus. I think that Melissa Bellini is bringing on board an outside consultant to review how we actually judge what that deferred maintenance amount is so we have an idea whether we are dealing with \$1 billion or \$2 billion or perhaps more. This will give a higher degree of comfort among the Committee members - that we actually have our arms around what the real problem is. Some of the things we are doing to try and address this is a more comprehensive approach on some of our projects. When you are getting into a project -- whether it is a rehab or a rebuild -- you should consider all of the other infrastructure areas that can be improved as part of that project. Obviously, if you look at what we have done in the 2009-2014 capital budget that we approved at our last committee meeting, we are taking in three areas of the campus where we have significant deferred maintenance problems: the North Academic Corridor; our infrastructure problems; and our Student Housing.

There is no question that we have growing needs in this area, that our resources are stretched and that we are probably not allocating as much as we need to be allocating on an annual basis. Looking for ways where we can address this, we are obviously always looking for new resources. We hope that we can begin to beat the drum for some increase in the capital funding that we get from the state every two years, which has been pretty flat. It doesn't even take into account the inflationary cost of construction that we try to build in so that there are some reasonable increases. We go through each of those capital budgets. We have to review increasing our annual commitment from central funds and we obviously have to do a better job in preventive maintenance. I think we got a very good report that sometimes if you take those preventive maintenance steps then you keep from having any additional serious maintenance problems.

We had the first reading on revisions to our facilities approval process. You know that at each of our Board meetings there are a number of things that come before you for approval. I hope you will take a look at these revisions so you will have a level of comfort with them. We would like to move on those at our February meeting. What it would mean is that only those projects that are above a certain financial limit will come to the Board for approval. Some of them come for just one approval process, which is feasibility design and construction. Others above \$10 million in the revision would come to us for two approvals: 1) for the feasibility and design; and 2) for the construction. So I want the Board members to feel comfortable that these new guidelines will let us focus on the very meaningful projects that are coming and would not mean that you won't have that information available to you, but as far as approval processes are concerned, I think that we can just focusing on those things that we need to be looking at.

## **December 7, 2007 meeting, Board of Trustees**

There was a Quarterly Capital Projects Report, which we revised a little bit. We are looking in-depth at a couple of capital projects each time around to look and see whether or not we are in line with similar projects and our square footage costs. This time the review was for the Newark Campus Warren Library and Student Center and the Ohio 4-H Center, which has just been completed. In comparing these to similar types of buildings on other campuses, our square footage numbers seem to be in line. We received a very good on time, on budget report of our ongoing major capital projects. We are hoping to get to a sheet that shows all green so that they are all there. This time we came the closest we ever have, so I think we are making a lot of progress.

For informational purposes only, Larry Lewellen reported that we are extending our third-party medical claims administration services contract for OSU faculty and staff health plans to NGS American. We had a three-year contract and it was reviewed. They have been providing very good services and Mr. Lewellen just wanted us to be aware that he was extending that contract for another three years.

There are seven items on the consent agenda, which I would like to speak to very briefly. The first resolution is our typical feasibility, design, and construction contracts. The second resolution is the interim authorization, which we do every time we are going to have a little break in Board meetings. This gives the Chair of the Fiscal Affairs Committee, with the approval of the President and the Senior Vice President for Business and Finance, the approval to move ahead on some project approvals if there is a legitimate reason for doing so, which could be cost or could be necessity in getting a project moving. Rather than doing this each time, we have redrafted that knowing now that the Board is going to six meetings. So whenever there is a gap in Board meetings, it will give us that interim authority to move in that direction.

For your approval is a five-year lease for space for the Transplant Center office, with a total of about \$321,000 a year with a top total of \$1.6 million. Also for your approval is the change of contract for our pharmacy benefit manager. I think this is a very good recommendation, because we have a cooperative agreement with some of our major pension plans – STRS, SERS, and OPERS – to join together with a pharmacy benefit manager. This will save us about \$3.2 million per year, which will account for some of the savings we need to report, as you know, to the Chancellor on an ongoing basis. We would be changing that to comply with that cooperative agreement.

We have a recommendation coming from the College of Food, Agricultural, and Environmental Sciences to help them manage their budget for a one-time separation financial incentive program. This would be a two-month salary incentive for those individuals that already qualify for retirement.

The next item is a clarification of Larry Lewellen's authority to act on behalf of the Board on personnel issues relating to our Classified Civil Service staff and law enforcement officers. This is

## **December 7, 2007 meeting, Board of Trustees**

a designation and we just need to be sure it was clarified so that his title permits him to act on behalf of the Board.

The last item was before the Board for first reading at the last meeting and it relates to improvements in our purchasing policies. You have had the opportunity to review these and I think that Bill Shkurti has provided you with a chart and a matrix that shows how many steps each one of these projects goes through in its approval. If we adopt this it will help us to again focus on those major projects. In not bringing all of those forward to the Board for approval, there will still be a semi-annual report on every unbid contract that will be filed and it will be available for review. There will also be a quarterly project on any unbid contract that exceeds \$250,000.

Just one final issue that we discussed at the end of our meeting and will continue to look at is how we get an idea of how much we are actually spending overall in the University on capital projects. We want to find out whether or not we think those total expenditures spread across this vast University make sense in relationship to the size of the organization that we are. We are going to further study that and come back to the Committee with ideas of how we put this together as it relates to the various colleges, to the Medical Center and to Athletics. We want to have an overall picture of what is going on on the campus as far as capital projects are concerned and expenditures.

Mr. Chairman, that concludes my report.

Dr. Cloyd:

Thank you, Mrs. Davidson. Any questions or comments? The Fiscal Affairs Committee covered a lot of territory.

Mr. McFerson:

I think your new system worked pretty well.

Dr. Cloyd:

I think the new system worked pretty well; I agree, Dimon.

--0--

### **CONSENT AGENDA**

#### **EXPRESSION OF CONGRATULATIONS TO JESSICA HANZLIK**

Resolution No. 2008-54

WHEREAS Jessica Hanzlik of Pickerington, Ohio has this month been named a 2008 Rhodes Scholar, one of 32 students nation-wide who have demonstrated superior academic ability, leadership, and the potential to make an effective and positive contribution throughout the world; and

WHEREAS her accomplishments as an outstanding student with majors in physics and French, include: election to Phi Beta Kappa; being the recipient of a distinguished Merit Scholarship, a Battelle

## **December 7, 2007 meeting, Board of Trustees**

Scholarship and a Robert C. Byrd Scholarship; recognition for outstanding achievement in Physics, Mathematics and scholarship in the Colleges of the Arts and Sciences; pursuit of a degree with distinction in writing a senior honors thesis in French; and achievement of a 3.96 grade point average; and

WHEREAS her accomplishments as a student leader, including serving as founder and President of the Women in Physics Organization and the Women in Math and Science Organization and service on the Honors Student Advisory Board and the Peer Research Contact and Student Advisory Board have earned her the respect and recognition of the University community; and

WHEREAS Jessica is only the fifth Ohio State University student to be selected as a Rhodes Scholar and is the first one so selected since 1986; and

WHEREAS Jessica is the first female to be so selected from The Ohio State University; and

WHEREAS she will continue her studies at Oxford University in high energy physics, and continue her efforts to enhance the role of women in STEM fields; and

WHEREAS through her accomplishments both in the classroom and in her activities she has set an exemplary record of achievement for others to emulate and has honored the University with her pursuits:

NOW THEREFORE

BE IT RESOLVED, That this Board expresses its sincere appreciation and congratulations to Jessica for her service to the University community and her singular achievements in scholarship across the University curricula, and wishes her continued success in her future pursuits.

\*\*\*

### **COMMITTEE APPOINTMENTS 2007-08**

Resolution No. 2008-55

BE IT RESOLVED, That the appointments to Committees for 2007-08 be approved as follows:

#### **Academic and Student Affairs Committee:**

John D. Ong, Chair  
Douglas G. Borrer, Vice Chair  
G. Gilbert Cloyd, ex officio  
John C. Fisher  
Algenon L. Marbley  
Alex Shumate  
Ronald A. Ratner  
Debra J. Van Camp

#### **Fiscal Affairs Committee:**

Jo Ann Davidson, Chair  
Brian K. Hicks, Vice Chair  
G. Gilbert Cloyd, ex officio

Karen L. Hendricks  
Walden W. O'Dell  
Leslie H. Wexner  
Robert H. Schottenstein  
Christopher A. Alvarez-Breckenridge

#### **Audit and Compliance Committee:**

Robert H. Schottenstein, Chair  
Karen L. Hendricks, Vice Chair  
G. Gilbert Cloyd, ex officio  
Dimon R. McFerson  
Walden W. O'Dell  
John C. Fisher  
Ronald A. Ratner

**December 7, 2007 meeting, Board of Trustees**

James Bachmann  
James Gilmour

**Medical Affairs Committee:**

Alan W. Brass, Chair  
Algenon L. Marbley, Vice Chair  
G. Gilbert Cloyd, ex officio  
Douglas G. Borrer  
Jo Ann Davidson  
Brian K. Hicks  
Ellen Hardyman  
David Lauer  
Donald Shackelford

**Development and Investment Committee:**

Leslie H. Wexner, Chair  
Walden W. O'Dell, Vice Chair  
G. Gilbert Cloyd, ex officio  
Alan W. Brass  
Robert H. Schottenstein

**Ex Officio:**

John Gerlach, Jr. (Found Brd)  
David A. Rismiller (Found Brd)

**Committee on Trusteeship:**

Dimon R. McFerson, Chair  
Alex Shumate, Vice Chair  
G. Gilbert Cloyd, ex officio  
Jo Ann Davidson  
Brian K. Hicks  
John D. Ong  
Christopher A. Alvarez-  
Breckenridge

**Agricultural Affairs Committee:**

John C. Fisher, Chair  
Robert Boggs, Vice Chair, ex officio  
G. Gilbert Cloyd, ex officio  
John D. Ong  
Douglas G. Borrer  
Ronald A. Ratner  
Debra J. Van Camp

\*\*\*

**NAMING OF INTERNAL SPACES IN THE 4-H CENTER**

Resolution No. 2008-56

Synopsis: The naming of internal spaces within University facilities is proposed.

WHEREAS gifts and gift commitments have been received by donors to support the construction, equipping or furnishing of the classrooms, offices, laboratories and other noted spaces; and

WHEREAS upon the recommendation of the President and the Senior Management Council, it has been proposed that the donors to these internal spaces be recognized for their generosity:

Project: The Nationwide and Ohio Farm Bureau 4-H Center, 2201 Fred Taylor Drive

- Bob Evans Farms, Inc. Board Room (room A150)
- Osteopathic Heritage Foundation Health "H" Sponsor (room 105)
- Patricia Brundige Hall of Fame Gallery (space X205C)
- James Dailey Entranceway (east side of building)
- Robert and Sheila Eastman Conference Room (room C100)
- Albert and Margaret Gehres Conference Room (room E214)
- Ohio Valley Bancorp Entranceway (east side of building)
- Ohio Farm Bureau Leadership Circle Hands "H" Sponsor (room 105)
- American Dairy Association Heart "H" Sponsor (room 105)
- AEP Geothermal System
- Larry and Sue Corbin Office (room 312)
- Dairy Farmers of America Heart "H" Sponsor (room 105)
- Sara Lee Heiner's Bakery Entranceway (east side of building)
- Jill and Joe Gasper Heart "H" Sponsor (room 105)
- Honda of America Foundation International Room (room B110)
- Charles and Gwyenna Lifer State Leader's Office (room 420)
- Ohio Corn Marketing Heart "H" Sponsor (room 105)
- Ralph Rockow Office (room 314)
- Barbara Rockow Office (room 316)
- Virginia Zirkle Office (room 317)
- Frank and Ginni Bazler Office (room 318)
- Clarence and Jane Cunningham Alcove (space 401)
- Dan Evans Office (room 319)
- Temmy Evans Office (room 310)
- Greif, Inc. Lobby (space X200L)
- Frederick Grimm Family Porch (porch on south side of building)
- Jim and Marlene Helt Office (room 321)
- Doris Huffman Flagpole (west entrance)
- Lois Hungate Plaza (outside Board Room)
- Jo Jones Innovation Room (room 510)
- Ed Johnson Reception Area (space 115)
- Bill and Ernestine Lowrie Office (room 410)
- Jim and Lil Marquand International Room (room B110)
- Tiney McComb Kitchenette (room 407)
- Bob and Joan McCoy Office (room 412)
- Mary Blauser Meilwes Break Room (room 315)
- Dan and Kathryn Moore Flagpole (west entrance)
- Ohio Township Association Control Room (room 220A)
- National City Bank Office (room 421)



**December 7, 2007 meeting, Board of Trustees**

- Vance Family Associate State Leader's Office (room 320)
- Jack and Helen Root Office (room 414)
- Richard and Nancy Stahl Office (room 416)
- Bill and Bette Tyznik Flagpole (west entrance)
- Tuscarawas County Office (room 417)
- Dan Amstutz Office (room 418)
- Cryder/Joseph Family Office (room 419)

NOW THEREFORE

BE IT RESOLVED, That in accordance with paragraph (F) of rule 3335-1-08 of the Administrative Code, the aforementioned internal spaces in campus facilities are hereby approved, effective immediately.

\*\*\*

**ESTABLISHMENT OF A "MASTER OF  
PROFESSIONAL COMMUNICATION" DEGREE**

Resolution No. 2008-57

Synopsis: Approval to establish a "Master of Professional Communication" degree is proposed.

WHEREAS as a result of the merger of two units that produced the School of Communication in the mid-1990s, and the different approaches to research and teaching related to that merger, three Master of Arts (M.A.) programs have existed that create confusing terminology for students, and do not reflect the coherence of the existing program; and

WHEREAS the School's Graduate Studies Committee proposes the elimination of the non-thesis option of the Communication M.A. program, the elimination of the Journalism M.A. program, and the elimination of the thesis option of the Journalism and Communication M.A. program with a new designation of a "Master of Professional Communication" degree; and

WHEREAS the proposal was approved by the Council on Research and Graduate Studies, the Council on Academic Affairs approved the proposal in two stages, programmatic changes on November 15, 2006, and the new tagged degree designation on May 30, 2007, and was approved by the University Senate at its November 8, 2007 meeting:

NOW THEREFORE

BE IT RESOLVED, That the establishment of a "Master of Professional Communication" degree is hereby approved, effective upon the approval of the Ohio Board of Regents.

\*\*\*

**ESTABLISHMENT OF A "MASTER IN  
ENVIRONMENT AND NATURAL RESOURCES" DEGREE**

Resolution No. 2008-58

Synopsis: Approval to establish "Master in Environment and Natural Resources" degree is proposed.

WHEREAS the School of Environment and Natural Resources proposes a tagged, applied, professional degree for practicing professionals and others who

## **December 7, 2007 meeting, Board of Trustees**

want to enhance their professional competency in environment and natural resource science and management; and

WHEREAS the degree is a non-thesis degree that will replace the Plan B non-thesis option currently available to students pursuing the Master of Science (M.S.) in the Natural Resources program, and students wanting to pursue research-oriented careers will continue to enroll in the M.S. program; and

WHEREAS the proposal was approved by the Council on Research and Graduate Studies on June 7, 2006 and on March 15, 2007, the Office of Academic Affairs convened all units on campus that have programmatic emphases related to the term "environment," and received support for this program; and

WHEREAS the Council on Academic Affairs approved the proposal and it was approved by the University Senate at its November 8, 2007 meeting:

NOW THEREFORE

BE IT RESOLVED, That the "Master in Environment and Natural Resources" degree is hereby approved, effective upon the approval of the Ohio Board of Regents.

\*\*\*

## **AMENDMENTS TO THE CODE OF STUDENT CONDUCT**

Resolution No. 2008-59

Synopsis: Approval of the attached amendments to the *Code of Student Conduct* are recommended.

WHEREAS the University Senate pursuant to rule 3335-1-09 of the Administrative Code is authorized to recommend through the President to the Board of Trustees the adoption of amendments to the *Code of Student Conduct* as approved by the University Senate; and

WHEREAS the Council on Student Affairs has reviewed and approved said revisions to the *Code of Student Conduct*; and

WHEREAS the proposed changes in the *Code of Student Conduct* were approved by the University Senate at its November 8, 2007 meeting:

NOW THEREFORE

BE IT RESOLVED, That the attached amendments to the *Code of Student Conduct* be adopted as recommended by the University Senate.

(See Appendix XXVII for background information, page 709.)

\*\*\*

## **DEGREES AND CERTIFICATES – AUTUMN QUARTER COMMENCEMENT**

Resolution No. 2008-60

Synopsis: Approval of Degrees and Certificates for Autumn Quarter is proposed.

WHEREAS pursuant to paragraph (E) of rule 3335-1-06 of the Administrative Code, the Board has authority for the issuance of degrees and certificates; and

## **December 7, 2007 meeting, Board of Trustees**

WHEREAS the faculties of the colleges and schools shall transmit, in accordance with rule 3335-9-29 of the Administrative Code, for approval by the Board of Trustees, the names of persons who have completed degree and certificate requirements:

NOW THEREFORE

BE IT RESOLVED, That the degrees and certificates be conferred on December 9, 2007, to those persons who have completed the requirements for their respective degrees and certificates and are recommended by the colleges and schools, and that the names of those persons awarded degrees and certificates be included in the minutes of this meeting.

\*\*\*

### **PERSONNEL ACTIONS**

Resolution No. 2008-61

BE IT RESOLVED, That the personnel actions as recorded in the Personnel Budget Records of the University since the November 2, 2007 meeting of the Board, including the following Appointment/Reappointment, Concurrent Appointment, Appointment of Chairperson, Leave of Absence without Salary – Continuation, Professional Improvement Leaves, Professional Improvement Leave – Change in Dates, Emeritus Titles, and Emeritus Title – Change in Title be approved; and

BE IT FURTHER RESOLVED, That the Medical Staff Appointments and Reappointments approved on October 2, 2007, by The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute Board, be ratified.

#### Appointment

Name: STEPHEN L. MANGUM  
Title: Interim Dean  
Office: The Max M. Fisher College of Business  
Effective: October 1, 2007

#### Reappointment

Name: DIETER WANNER  
Title: Interim Associate Provost for International Affairs  
Office: Academic Affairs  
Term: January 1, 2008 through December 31, 2008

#### Concurrent Appointment

Name: WILEY W. SOUBA, JR.  
Title: Executive Dean for Health Sciences  
Term: November 1, 2007 through August 31, 2011  
Present Position: Interim Senior Vice President for Health Sciences  
and Dean of the College of Medicine

#### Appointment of Chairperson

MALCOLM H. CHISHOLM, Department of Chemistry, effective December 10, 2007 through September 30, 2011.

#### Leave of Absence without Salary – Continuation

INDIRA L. CHATTERJI, Assistant Professor, Department of Mathematics, effective Winter Quarter and Spring Quarter 2008, for personal reasons.

## **December 7, 2007 meeting, Board of Trustees**

### Professional Improvement Leaves

JOHN J. FINER, Professor, Department of Horticulture and Crop Science, effective January 3, 2008 through June 8, 2008.

KRISTEN J. GREMILLION, Associate Professor, Department of Anthropology, effective Winter Quarter and Spring Quarter 2009.

### Professional Improvement Leave – Change in Dates

CARTER V. FINDLEY, Professor, Department of History, change leave from Autumn Quarter 2007, Winter Quarter and Spring Quarter 2008, to Autumn Quarter 2007.

### Emeritus Titles

DONALD J. CEGALA, School of Communication, with the title Professor Emeritus, effective January 1, 2008.

STEPHEN J. RALLIS, Department of Mathematics, with the title Professor Emeritus, effective January 1, 2008.

SIA K. WONG, Department of Mathematics, with the title Professor Emeritus, effective July 1, 2008.

WILLIAM S. DANCEY, Department of Anthropology, with the title Associate Professor Emeritus, effective July 1, 2008.

STEPHEN M. HILLS, Department of Management and Human Resources, with the title Associate Professor Emeritus, effective January 1, 2008.

DOROTHY W. JACKSON, Department of Psychology, with the title Associate Professor Emeritus, effective January 1, 2008.

SUSAN L. JOSEPHS, Office of Academic Affairs, with the title Associate Professor Emeritus, effective February 1, 2008.

CHARLES J. POPOVICH, University Libraries, with the title Associate Professor Emeritus, effective February 1, 2008.

### Emeritus Title – Change in Title

GEORGE W. HANDLEY, Department of Psychology (Lima), change in title from Assistant Professor Emeritus to Associate Professor Emeritus, effective September 1, 2007.

### Medical Staff – Initial Appointments (The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute)

Brent H. Adler, M.D., Associate Attending, Radiology, 8/21/2007

Anthony Antonoplos, M.D., Associate Attending, Radiology, 10/2/2007

Carlos E. Arce-Lara, M.D., Pending Attending, Internal Medicine, Hematology/Oncology, 10/2/2007

Simon Bergman, M.D., Associate Attending, Surgery, General Surgery, 8/21/2007

Michael A. Borunda, M.D., Pending Associate Attending, Emergency Medicine, 10/2/2007

Susie Chang, M.D., Pending Associate Attending, Ophthalmology, 10/2/2007

Jane Dishon-Ritzert, C.N.P., Allied Health, Internal Medicine, Hematology/Oncology, 8/21/2007

Jillian L. Gustin, M.D., Pending Clinical Attending, Internal Medicine, General Medicine, 10/2/2007

## **December 7, 2007 meeting, Board of Trustees**

Douglas W. Haden, M.D., Associate Attending, Internal Medicine, Pulmonary, Critical Care, 8/21/2007  
Gang He, M.D., Ph.D., Pending Associate Attending, Pathology, 10/2/2007  
Michael S. Ingerski, M.D., Associate Attending, Anesthesiology, 10/2/2007  
Rami Kahwash, M.D., Pending Associate Attending, Internal Medicine, Cardiovascular Medicine, 10/2/2007  
Jamie Keller, M.D., Associate Attending, Anesthesiology, 8/21/2007  
Edward Y. Kim, M.D., Attending, Radiation Medicine, 10/2/2007  
Stephen Kolb, M.D., Ph.D., Pending Associate Attending, Neurology, 10/2/2007  
Louis B. Louis IV, M.D., Associate Attending, Surgery, Thoracic/Cardiovascular, 8/21/2007  
Susan C. Massick, M.D., Pending Associate Attending, Internal Medicine, Dermatology, 11/6/2007  
Laxmi S. Mehta, M.D., Pending Associate Attending, Internal Medicine, Cardiovascular Medicine, 10/2/2007  
Paul K. Nanda, M.D., Associate Attending, Family Medicine, 9/1/2007  
Purvi C. Panchal, M.D., Associate Attending, Internal Medicine, Digestive Disease, 10/2/2007  
Joseph A. Pantelis, M.D., Pending Associate Attending, Internal Medicine, Hospital Medicine, 10/2/2007  
Stephen E. Paquelet, M.D., Associate Attending, Anesthesiology, 10/2/2007  
Mitva J. Patel, M.D., Associate Attending, Radiology, 10/2/2007  
Parita Patel, M.D., Associate Attending, Family Medicine, 8/21/2007  
Jerome A. Rusin, M.D., Associate Attending, Radiology, 8/21/2007  
Thomas Ryan, M.D., Pending Associate Attending, Internal Medicine, Cardiovascular Medicine, 10/2/2007  
Rosemarie L. Shim, M.D., Pending Associate Attending, Internal Medicine, Nephrology, 10/2/2007  
Adrian A. Suarez, M.D., Associate Attending, Pathology, 8/21/2007  
Pankaj Tiwari, M.D., Associate Attending, Surgery, Plastic Surgery, 8/21/2007  
Subhdeep Virk, M.B.B.S., Pending Associate Attending, Psychiatry, 10/2/2007  
Kerry C. Will, M.D., Pending Associate Attending, Internal Medicine, Hospital Medicine, 10/2/2007

### Medical Staff – Provisional to Full Appointments (The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute)

Jill L. Barno, M.D., Community Associate, Internal Medicine, General Medicine, 10/2/2007  
David G. Bates, M.D., Associate Attending, Radiology, 10/2/2007  
Heather M. Brom, C.N.P., Allied Health, Internal Medicine, Hematology/Oncology, 10/2/2007  
Kristen R. Blackman-Davis, P.A., Allied Health, Orthopaedics, 10/2/2007  
John B. Christoforidis, M.D., Associate Attending, Ophthalmology, 8/21/2007  
Michael S. Firstenberg, M.D., Associate Attending, Internal Medicine, Cardiovascular Medicine, 8/21/2007

### Medical Staff – Provisional to Full Appointments (The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute) (contd)

Nicole R. Hans, C.N.P., Allied Health, Neurology, 8/21/2007  
Kathleen S. Hawker, M.D., Associate Attending, Neurology, 8/21/2007  
Sangeeta L. Guttikonda, M.D., Associate Attending, Radiology, 10/2/2007  
Catherine K. Hesness, C.N.P., Allied Health, Internal Medicine, Hematology/Oncology, 10/2/2007  
Sheri A. Knepel, M.D., Associate Attending, Emergency Medicine, 10/2/2007  
Frederick Long, M.D., Associate Attending, Radiology, 8/21/2007  
Douglas Martin, M.D., Attending, Radiation Medicine, 8/21/2007  
James Murakami, M.D., Associate Attending, Radiology, 8/21/2007  
Julie C. O'Donovan, M.D., Associate Attending, Radiology, 10/2/2007

## **December 7, 2007 meeting, Board of Trustees**

Tushar C. Patel, MB.ChB, Associate Attending, Psychiatry, 10/2/2007  
Michael K. Racke, M.D., Associate Attending, Neurology, 8/21/2007  
E. Steve Roach, M.D., Associate Attending, Neurology, 8/21/2007  
Lisa D. Ross, C.N.P., Associate Attending, Internal Medicine,  
Hematology/Oncology, 10/2/2007  
Shelley J. Ryan, C.N.P., Associate Attending, Internal Medicine,  
Hematology/Oncology, 10/2/2007  
Megan K. Smith, C.N.P., Allied Health, Internal Medicine, Hematology/Oncology,  
10/2/2007  
Jerome Stasek, Jr., M.D., Associate Attending, Internal Medicine, Pulmonary,  
8/21/2007  
L. Jill Staufenberg, C.N.S., Allied Health, Psychiatry, 10/2/2007  
Henry Douglas Windler, M.D., Associate Attending, Radiology, 10/2/2007  
David A. Zvara, M.D., Associate Attending, Anesthesiology, 8/21/2007

### Medical Staff – Reappointments (The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute)

Ulysses J. Magalang, M.D., Associate Attending, Internal Medicine, Pulmonary,  
11/1/2007 - 10/31/2009  
Douglas D. Martin, M.D., Attending, Radiation Medicine, 11/1/2007 - 10/31/2009  
Sharon K. McDowell, M.D., Associate Attending, Physical Medicine, 11/1/2007 -  
10/31/2009  
Marc P. Michalsky, M.D., Associate Attending, Surgery, Pediatric Surgery,  
11/1/2007 - 4/30/2008  
Michael J. Miller, M.D., Associate Attending, Surgery, Plastic Surgery, 11/1/2007  
- 4/30/2008  
Steven M. Nash, M.D., Associate Attending, Neurology, 11/1/2007 - 10/31/2009  
Ryan D. Niederkohr, M.D., Associate Attending, Radiology, 11/1/2007 -  
4/30/2008  
Julie A. Niedermier, M.D., Associate Attending, Psychiatry, 11/1/2007 -  
10/31/2009  
John A. Norton, D.O., Associate Attending, Anesthesiology, 11/1/2007 -  
10/31/2009  
Kwame Osei, M.D., Associate Attending, Internal Medicine, Endocrinology,  
11/1/2007 - 10/31/2009  
Trupti V. Patel, M.D., Associate Attending, Psychiatry, 11/1/2007 - 10/31/2009  
William S. Pease, M.D., Associate Attending, Physical Medicine, 11/1/2007 -  
10/31/2009  
Rodney V. Pozderac, M.D., Associate Attending, Radiology, 11/1/2007 -  
10/31/2009  
Robert J. Ragosin, M.D., Associate Attending, Radiology, 11/1/2007 - 10/31/2009  
Parshan S. Ramsingh, M.B.B.S., Associate Attending, Radiology, 11/1/2007 -  
4/30/2008  
John L. Robinson, M.D., Associate Attending, Internal Medicine, Cardio  
Medicine, 11/1/2007 - 10/31/2009  
Alan D. Rogers, M.D., Associate Attending, Radiology, 11/1/2007 - 4/30/2008  
Melissa Rosado-de-Christenson, M.D., Associate Attending, Radiology,  
11/1/2007 - 10/31/2009  
Howard R. Rothbaum, M.D., Associate Attending, Internal Medicine, General  
Medicine, 11/1/2007 - 10/31/2009  
Brad H. Rovin, M.D., Associate Attending, Internal Medicine, Nephrology,  
11/1/2007 - 10/31/2009  
Robert L. Ruberg, M.D., Associate Attending, Surgery, Plastic Surgery,  
11/1/2007 - 10/31/2009  
Medical Staff – Requests for Additional Privileges (The Arthur G. James Cancer  
Hospital and Richard J. Solove Research Institute)  
Susie Chang, M.D., Associate Attending, Ophthalmology, Argon & Ophthalmic  
Yag Lasers, 10/2/2007

## **December 7, 2007 meeting, Board of Trustees**

Jane Dishon-Ritzert, C.N.P., Allied Health, Internal Medicine, Prescriptive Authority, 8/21/2007

Rami Kahwash, M.D., Associate Attending, Internal Medicine, Moderate Sedation, 10/2/2007

David E. Lindsay, M.D., Associate Attending, Surgery, Moderate Sedation, 10/2/2007

Louis B. Louis IV, M.D., Associate Attending, Surgery, Deep Sedation, 8/21/2007

Purvi C. Panchal, M.D., Associate Attending, Internal Medicine, Moderate Sedation, 10/2/2007

Joseph A. Pantelis, M.D., Associate Attending, Internal Medicine, Moderate Sedation, 10/2/2007

Laxmi Mehta, M.D., Associate Attending, Internal Medicine, Moderate Sedation, 10/2/2007

Thomas Ryan, M.D., Associate Attending, Internal Medicine, Moderate Sedation, 10/2/2007

Kerry C. Will, M.D., Associate Attending, Internal Medicine, Moderate Sedation, 10/2/2007

\*\*\*

### **RESOLUTIONS IN MEMORIAM**

Resolution No. 2008-62

Synopsis: Approval of Resolutions in Memoriam is proposed.

RESOLVED, That the Board adopt the following Resolutions in Memoriam and that the President be requested to convey copies to the families of the deceased.

George A. Barber

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on October 26, 2007, of George A. Barber, Professor Emeritus in the Department of Biochemistry.

Professor Barber was awarded an A.B. degree from Rutgers University in 1951 and a Ph.D. degree in plant physiology and chemistry from Columbia University in 1955, under the direction of Professor R. F. Dawson. He served as a research biochemist at the Connecticut Agricultural Experiment Station and at The Stanford Research Institute before taking a research position in the laboratory of Professor W. Z. Hassid at the University of California-Berkeley, which he held until 1965. He then joined the faculty of the University of Hawaii as an associate professor of biochemistry, a position he held until 1968 when he accepted an appointment in the Department of Biochemistry at The Ohio State University at the rank of full professor. Professor Barber continued to serve worthily on the faculty until his retirement in 1987.

Dr. Barber's most intense research interest was in the complex area of cellulose biosynthesis in higher plants. He began this pioneering work in Professor Hassid's laboratory and continued to conduct research in this area throughout the rest of his career. He also studied extensively the metabolism of sucrose and flavanoids in plants as well as sugar nucleotides, particularly those aspects involving the sugars rhamnose and fucose. His research was supported for many years by grants from the National Institutes of Health. As a notable accomplishment, the *beta* anomers of rhamnosyl- and fucosyl-phosphates were chemically synthesized for the first time in his laboratory.

Professor Barber taught (and taught well) at both the undergraduate and graduate levels. He had high expectations and many undergraduates, graduate

## **December 7, 2007 meeting, Board of Trustees**

students, and postdoctoral fellows were well-trained under his unique style of mentoring and direction.

On behalf of the University community, the Board of Trustees expresses to the family of Professor George A. Barber its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

Helen L. Schneider

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on October 21, 2007, of Helen L. Schneider, Assistant Professor Emeritus in the Ohio State University Extension.

Professor Schneider was born December 15, 1917, in New Burlington, Ohio. She received her Bachelor of Arts degree in mathematics from Wilmington College in 1939, and her Master of Science degree in agricultural education from The Ohio State University in 1975.

Helen began her Extension career in Ohio in October 1948 as a home demonstration agent in Clermont County. In 1954 she became an assistant state home demonstration leader. She resigned in October 1955, but returned to the Ohio Cooperative Extension Service in September 1969 as the county extension agent-home economics in Madison County. She held this position until her retirement on August 31, 1982.

Professor Schneider's contributions in providing Extension educational programs during her career included increasing the interest in food preservation for home grown fruits and vegetables and making these programs available to all homemakers in her county. She wrote a news column each week and was instrumental in placing Extension bulletins in the local library. She conducted demonstrations in the local gas company kitchen for Extension clientele, and conducted programs for low income families, showing them how to prepare well-balanced meals at a low cost. She wrote newsletters giving helpful household hints and new recipes.

In 1975, Helen received the Distinguished Service Award presented by the National Association of Home Economics Agents. Helen was well-respected by her peers and co-workers throughout the entire state. She was a loyal Extension employee and once said, "I have the best job in the world."

On behalf of the University community, the Board of Trustees expresses to the family of Professor Helen L. Schneider its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to her family as an expression of the Board's heartfelt sympathy.

\*\*\*

## **UNIVERSITY DEVELOPMENT REPORT**

Resolution No. 2008-63

Synopsis: The University Development Report for October 2007 is presented for Board acceptance.



## December 7, 2007 meeting, Board of Trustees

WHEREAS monies are solicited and received on behalf of the University from alumni, industry, and various individuals in support of research, instructional activities, and service; and

WHEREAS such gifts are received through The Ohio State University Development Fund and The Ohio State University Foundation; and

WHEREAS this report includes the establishment of The John Glenn Chair for Technology and Space Exploration, The Thomas Jefferson Chair for Discovery and Space Exploration, and the Dorothy J. and Herbert L. Fenburr Professorship; and

WHEREAS this report includes the establishment of eleven (11) new named endowed funds and the revision of three (3) endowed funds:

### NOW THEREFORE

BE IT RESOLVED, That the acceptance of the report from The Ohio State University Development Fund and The Ohio State University Foundation during the month of October 2007 be approved.

(See Appendix XXVIII for background information, page 719.)

## THE OHIO STATE UNIVERSITY DEVELOPMENT FUND

	<u>Total Gifts</u>
<u>Establishment of Named Endowed Funds</u>	
The Center for Retrovirus Research Endowed Fund at the College of Veterinary Medicine Established with royalties from the Retrovirus Group; used to benefit the investigators of the Center for Retrovirus Research	\$50,000.00
Hal Hazelett Endowment Fund Established with gifts from friends and family of Hal Hazelett of Marion, Ohio; used to provide scholarship support to Marion campus students (grandfathered)	\$25,126.00
Friends of Delaware Center Endowment Fund Established with gifts from the Marion Campus Delaware Center Fund; used to provide unrestricted support for scholarships, initiatives, and emerging priorities for students, faculty, and staff at the Delaware Center (grandfathered)	\$25,070.00
Warren Harding – Norman Thomas Fund Established with gifts from OSU-Marion; used to support the development of the Harding-Thomas Center (grandfathered)	\$25,000.00

### Change in Name and Description of Named Endowed Fund

From: The Community Bankers Association of Ohio 4-H Bank  
Scholars Fund  
To: Community Bankers of Ohio 4-H Center Fund

## December 7, 2007 meeting, Board of Trustees

### THE OHIO STATE UNIVERSITY FOUNDATION

#### Establishment of Named Endowed Chairs

The John Glenn Chair for Technology and Space Exploration \$5,000,000.00  
Established with gifts from The Columbus Foundation; used to support a chair to lead research on propulsion technologies for orbital payload delivery, interplanetary transport, and space power systems for space travel or for moon/planetary bases

The Thomas Jefferson Chair for Discovery and Space Exploration \$5,000,000.00  
Established with gifts from The Columbus Foundation; used to support a chair for conducting space exploration on a grand scale in areas of cosmology, astroparticle physics, or planetary science

#### Establishment of Named Endowed Professorship

Dorothy J. and Herbert L. Fenburr Professorship \$427,386.38  
Established with gifts from the estate of Herbert L. Fenburr; used to support a distinguished faculty position in the Department of Chemical and Biomolecular Engineering in the College of Engineering (grandfathered)

#### Establishment of Named Endowed Funds

The Space Exploration Research Fund \$421,410.04  
Established with gifts from The Columbus Foundation; used to support undergraduate, graduate, and postdoctoral fellowships

McNeil-Siegrist Endowed Scholarship Fund for Special Education \$100,000.00  
Established with gifts from Leo and Gretchen McNeil; used to provide scholarship support for students admitted into the Special Education program in the School of Physical Activity and Educational Services

The Joseph and Carrol Keifer Memorial Scholarship Fund \$50,000.00  
Established with gifts from Sue Keifer, Barbara Hagen, and Dan Keifer; used to provide scholarships for students attending the Mansfield Campus

The Joyce Rupert Kerze Endowment Fund \$50,000.00  
Established with gifts from Joyce Rupert Kerze of Powell, Ohio, in memory of Floyd D. Rupert; used for the activities and programs of the JamesCare for Life program

The Knoll and Gaglione Families Scholarship Fund in Medicine \$50,000.00  
Established with gifts from Dr. Herman C. Knoll, Joan Clark Knoll, Dr. Aaron Knoll, Karen Knoll, Dr. Elaine Knoll Gaglione, and John Gaglione, all of Dayton, Ohio; used to provide scholarships to medical students in the College of Medicine

The Alan and Susan Letson Retina and Ophthalmology Fund \$50,000.00  
Established with gifts from Dr. Holton C. Letson of Hilton Head, South Carolina; used to support the education of ophthalmology residents, acquisition of equipment for research, clinical and patient care, projects in retina disease, and emerging priorities or initiatives related to retina disease in the Department of Ophthalmology

Clermont County Alumni Scholarship Endowment Fund \$25,325.00

## **December 7, 2007 meeting, Board of Trustees**

Established with gifts from the OSU Alumni Club of Clermont County; used to provide scholarships for high school graduates from Clermont County, Ohio (grandfathered)

### Change in Description of Named Endowed Fund

Rosalie S. and Edward O. Elliott II Scholarship Fund

### Change in Name and Description of Named Endowed Fund

From: Scott/Staats Psychology Endowment Fund  
To: Outstanding Newark Psychology Student Endowed Award

Total \$11,299,317.42

## **THE OHIO STATE UNIVERSITY DEVELOPMENT FUND**

### Establishment of Named Endowed Funds

The Center for Retrovirus Research Endowed Fund  
at the College of Veterinary Medicine

The Center for Retrovirus Research Endowed Fund at the College of Veterinary Medicine was established December 7, 2007, by the Board of Trustees of The Ohio State University with royalties from the Retrovirus Group.

The annual distribution from this fund shall be reinvested in the endowment principal until the principal balance reaches \$100,000. After the principal reaches \$100,000, the annual distribution will be used to benefit the investigators of the Center for Retrovirus Research. Specification and dispersal of funds must be authorized by the Center director in consultation with the Center's internal advisory board.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees as recommended by the dean of the College of Veterinary Medicine. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$50,000.00

### **Hal Hazelett Endowment Fund**

The Hal Hazelett Endowment Fund was established December 7, 2007, by the Board of Trustees of The Ohio State University with gifts from friends and family of Hal Hazelett of Marion, Ohio.

The annual distribution from this fund shall provide scholarship support to students who demonstrate financial need, have a 2.8 or higher grade point average, and are enrolled at the OSU-Marion campus. Preference shall be given

## **December 7, 2007 meeting, Board of Trustees**

to students who intend to pursue careers in math, science, and/or education who display skills indicating they could be successful in their selected field. Scholarship recipients shall be selected by the dean and director of The Ohio State University at Marion in consultation with the Office of Student Financial Aid.

In any given year that the endowment distribution is not fully used for its intended purpose, the unused portion should be held in the distribution account to be used in subsequent years and only for the purposes of the endowment, or reinvested in the endowment principal at the discretion of the dean and director of The Ohio State University at Marion.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that the endowment established herein should benefit the University in perpetuity. Should unforeseen circumstances arise in the future so that the need for this endowment ceases to exist, then another use as nearly aligned with the original intent of the contribution as good conscience and need dictate, shall be designated by the University's Board of Trustees. In making this alternate designation, the Board shall seek advice from both a representative of the group of donors, should one be available, and the dean and director of The Ohio State University at Marion.

Amount Establishing Endowment: \$25,126.00 (grandfathered)

### **Friends of Delaware Center Endowment Fund**

The Friends of Delaware Center Endowment Fund was established December 7, 2007, by the Board of Trustees of The Ohio State University with gifts from the Marion Campus Delaware Center Fund.

The annual distribution from this fund shall provide unrestricted support for scholarships, initiatives, and emerging priorities for students, faculty, and staff at the Delaware Center, a program of The Ohio State University at Marion. Uses may include, but are not limited to, academic awards, event sponsorships, and scholarships. Scholarship recipients shall be selected by the dean and director of The Ohio State University at Marion in consultation with the Office of Student Financial Aid. All other expenditures shall be made at the discretion of the dean and director of The Ohio State University at Marion.

In any given year that the endowment distribution is not fully used for its intended purpose, the unused portion should be reinvested in the endowment principal. The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that the endowment established herein should benefit the University in perpetuity. Should unforeseen circumstances arise in the future so that the need for this endowment ceases to exist, then another use as nearly aligned with the original intent of the contribution as good conscience and need dictate, shall be designated by the University's Board of Trustees. In making this alternate designation, the Board shall seek advice from both a representative of

## **December 7, 2007 meeting, Board of Trustees**

the donor, should one be available, and the dean and director of The Ohio State University at Marion.

Amount Establishing Endowment: \$25,070.00 (grandfathered)

### **Warren Harding – Norman Thomas Fund**

The Warren Harding – Norman Thomas Fund was established December 7, 2007, by the Board of Trustees of The Ohio State University with gifts from friends of The Ohio State University at Marion.

The annual distribution from this fund shall support the development of the Harding-Thomas Center, also referred to as The Age of Normalcy Center. The Center houses research materials of two outstanding Marionites who contributed to the shaping of 20<sup>th</sup> century America. This material supports undergraduate studies and is available to scholars and the Marion public. This fund will also support the activities of the Center that celebrate Harding and Thomas. The director of The Ohio State University at Marion Honors Program will oversee the fund, in consultation with the librarian and the Honors Committee, as appropriate, and with the approval of the dean and director of The Ohio State University at Marion.

In any given year that the endowment distribution is not fully used for its intended purpose, the unused portion should be held in the distribution account to be used in subsequent years and only for the purposes of the endowment, or reinvested in the endowment principal at the discretion of the dean and director of The Ohio State University at Marion.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that the endowment established herein should benefit the University in perpetuity. Should unforeseen circumstances arise in the future so that the need for this endowment ceases to exist, then another use as nearly aligned with the original intent of the contribution as good conscience and need dictate, shall be designated by the University's Board of Trustees. In making this alternate designation, the Board shall seek advice from both a representative of the group of donors, should one be available, and the dean and director of The Ohio State University at Marion.

Amount Establishing Endowment: \$25,000.00 (grandfathered)

### **Change in Name and Description of Named Endowed Fund**

#### **Community Bankers of Ohio 4-H Center Fund**

The Community Bankers Association of Ohio 4-H Bank Scholars Fund was established February 3, 1995, by the Board of Trustees of The Ohio State University with gifts to The Ohio State University Development Fund from members of the Community Bankers Association of Ohio. The name and description were revised December 7, 2007.

The annual distribution from this fund shall be used for upkeep and maintenance of The Nationwide and Ohio Farm Bureau 4-H Center as approved by the vice

## **December 7, 2007 meeting, Board of Trustees**

president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

In any given year that the endowment distribution is not fully used for its intended purpose, the unused portion should be held in the distribution account to be used in subsequent years and only for the purposes of the endowment, or reinvested in the endowment principal at the discretion of the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences.

It is the desire of the donors that the endowment established herein should benefit the University in perpetuity. Should unforeseen circumstances arise in the future so that the need for this endowment ceases to exist, then another use as nearly aligned with the original intent of the contribution as good conscience and need dictate, shall be designated by the University's Board of Trustees. In making this alternate designation, the Board shall seek advice from both a representative of the group of donors, should one be available, and the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences.

### **THE OHIO STATE UNIVERSITY FOUNDATION**

#### **Establishment of Named Endowed Chairs**

##### **The John Glenn Chair for Technology and Space Exploration**

The John Glenn Chair for Technology and Space Exploration was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from The Columbus Foundation.

The annual distribution from this fund shall be used to support a chair to lead research on propulsion technologies for orbital payload delivery, interplanetary transport, and space power systems for space travel or for moon/planetary bases. Appointment to The John Glenn Chair for Technology and Space Exploration shall be recommended by the University president, assisted by the executive vice president and provost, and the senior vice president for Research, or their designees, and approved by the Board of Trustees. As per University policy, the activities of the chair holder shall be periodically reviewed by the tenure-initiating unit (TIU) and reported to the president as directed by the Office of Academic Affairs and the Office of Research.

The investment and management of expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. Two-fifths of the annual distribution generated may be utilized for educational and research equipment directly supporting education and training of students and young scientists. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so

## **December 7, 2007 meeting, Board of Trustees**

diminish as to provide unused distributions, then another use shall be designated by the University president, working in consultation with the Board of Trustees and Foundation Board. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.

Amount Establishing Chair: \$5,000,000.00

### **The Thomas Jefferson Chair for Discovery and Space Exploration**

The Thomas Jefferson Chair for Discovery and Space Exploration was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from The Columbus Foundation.

The annual distribution from this fund shall be used to support a chair for conducting space exploration on a grand scale in areas of cosmology, astroparticle physics, or planetary science. Appointment to The Thomas Jefferson Chair for Discovery and Space Exploration shall be recommended by the University president, assisted by the executive vice president and provost, and the senior vice president for Research, or their designees and approved by the Board of Trustees. As per University policy, the activities of the chair holder shall be periodically reviewed by the tenure-initiating unit (TIU) and reported to the president as directed by the Office of Academic Affairs and the Office of Research.

The investment and management of expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. Two-fifths of the annual distribution generated may be utilized for educational and research equipment directly supporting education and training of students and young scientists. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the University president, working in consultation with the Board of Trustees and Foundation Board. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.

Amount Establishing Chair: \$5,000,000.00

### **Establishment of Named Endowed Professorship**

#### **Dorothy J. and Herbert L. Fenburr Professorship**

The Dorothy J. and Herbert L. Fenburr Professorship was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with estate gifts from Herbert L. Fenburr (B.Ch.E. 1934, M.S. 1935, Ph.D. 1937).

The annual distribution from this fund shall provide support for a distinguished faculty position in the Department of Chemical and Biomolecular Engineering in the College of Engineering. Appointment for each five-year chair term will be

## **December 7, 2007 meeting, Board of Trustees**

recommended by the dean of the College of Engineering to the executive vice president and provost and the president and approved by the Board of Trustees. Reappointment is possible after assessment of the professorship holder's academic and research performance.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

In any given year that the endowment distribution is not fully used for its intended purpose, the unused portion should be held in the distribution account to be used in subsequent years and only for the purposes of the endowment, or reinvested in the endowment principal at the discretion of the dean of the College of Engineering.

It is the desire of the donor that the endowment established herein should benefit the University in perpetuity. Should unforeseen circumstances arise in the future so that the need for this endowment ceases to exist, then another use as nearly aligned with the original intent of the contribution as good conscience and need dictate, shall be designated by the Foundation's Board of Directors and the University's Board of Trustees. In making this alternate designation, the Boards shall seek advice from the dean of the College of Engineering.

Amount Establishing Endowment: \$427,386.38

### Establishment of Named Endowed Funds

#### The Space Exploration Research Fund

The Space Exploration Research Fund was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from The Columbus Foundation.

The annual distribution from this fund shall be used to support undergraduate, graduate, and postdoctoral fellowships for the career development of individuals demonstrating exceptional ability and motivation for studies in science or allied fields for the furtherance of exploration of space as identified by the University. Award recipients shall be selected by the University president, assisted by the executive vice president and provost, and the senior vice president for Research, or their designees.

The investment and management of expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the University president, working in consultation with the Board of Trustees and Foundation Board. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.



## **December 7, 2007 meeting, Board of Trustees**

Amount Establishing Endowment: \$421,410.04

### **McNeil-Siegrist Endowed Scholarship Fund for Special Education**

The McNeil-Siegrist Endowed Scholarship Fund for Special Education was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Leo (B.S.Bus.Adm. 1971, M.B.A. 1977) and Gretchen (B.A. 1974) McNeil.

The annual distribution from this fund shall provide scholarship support for students admitted into the Special Education program in the School of Physical Activity and Educational Services. Qualified applicants must have a 3.0 or higher grade point average and have earned 60 or more credit hours. Preference shall be given to students with a ranking of sophomore or higher. Scholarships may be renewed for a maximum of three academic years as long as the recipient maintains eligibility. Scholarship recipients will be selected by the dean of the College of Education and Human Ecology in consultation with the Office of Student Financial Aid. The College will apprise the donors of the selection process.

In any given year that the endowment distribution is not fully used for its intended purpose, the unused portion should be held in the distribution account to be used in subsequent years and only for the purposes of the endowment, or reinvested in the endowment principal at the discretion of the dean of the College of Education and Human Ecology.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that the endowment established herein should benefit the University in perpetuity. Should unforeseen circumstances arise in the future so that the need for this endowment ceases to exist, then another use as nearly aligned with the original intent of the contribution as good conscience and need dictate, shall be designated by the Foundation's Board of Directors and the University's Board of Trustees. In making this alternate designation, the Boards shall seek advice from both the donors, should they be alive, and the dean of the College of Education and Human Ecology.

Amount Establishing Endowment: \$100,000.00

Total Commitment: \$100,000.00

### **The Joseph and Carrol Keifer Memorial Scholarship Fund**

The Joseph and Carrol Keifer Memorial Scholarship Fund was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Sue Keifer, Barbara Hagen, and Dan Keifer.

The annual distribution from this fund shall provide at least one scholarship, at the discretion of the dean and director of the Mansfield Campus of The Ohio State University, with first preference for a student attending the Mansfield Campus of The Ohio State University on a full-time basis who has graduated from a Richland County, Ohio, high school and has demonstrated financial need.

## **December 7, 2007 meeting, Board of Trustees**

Second preference shall be for any student enrolled full-time at the Mansfield Campus of The Ohio State University who has demonstrated financial need.

The annual distribution of the scholarship fund may be used toward the cost of tuition, room and board, and books. The scholarship shall be distributed equally among the quarters enrolled during the academic school year. The scholarship is renewable at the discretion of the dean and director of the Mansfield Campus, up to 12 quarters (or eight semesters should the University change to the semester system) or until the completion of a baccalaureate degree, whichever comes first.

In any given year that the endowment distribution is not fully expended, the unused portion should be reinvested in the endowment principal. This scholarship fund will be administered by the dean and director of the Mansfield Campus of The Ohio State University in consultation with the Office of Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the dean and director of the Mansfield Campus of The Ohio State University in consultation with the Office of Student Financial Aid. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$50,000.00

### **The Joyce Rupert Kerze Endowment Fund**

The Joyce Rupert Kerze Endowment Fund was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation with gifts from Joyce Rupert Kerze (B.S. 1971) of Powell, Ohio, in memory of Floyd D. Rupert (attended 1939).

The annual distribution from this fund shall be used for the activities and programs of the JamesCare for Life program. Funds may be used for personnel, supplies, equipment, publications, conferences, and other activities required to maintain and enhance the healing through the arts programming of JamesCare for Life. Allocation of funds shall be approved by the director of the JamesCare for Life program in consultation with the senior executive director of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute, the director of the Comprehensive Cancer Center, and the senior vice president for Health Sciences.

In any given year that the endowment distribution is not fully expended, the unused portion should be reinvested in the endowment principal.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be

## **December 7, 2007 meeting, Board of Trustees**

assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the director of the JamesCare for Life program in consultation with the senior executive director of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute, the director of the Comprehensive Cancer Center, and the senior vice president for Health Sciences. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.

Amount Establishing Endowment: \$50,000.00

### **The Knoll and Gaglione Families Scholarship Fund in Medicine**

The Knoll and Gaglione Families Scholarship Fund in Medicine was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Dr. Herman C. Knoll (B.A. 1951, M.D. 1955) and Joan Clark Knoll (attended 1952); Dr. Aaron Knoll (B.S. 1981, M.D. 1985) and Karen Knoll; and Dr. Elaine Knoll Gaglione (B.S.Nutrition 1983, M.D. 1987) and John Gaglione (B.S.C.I.S. 1985), all of Dayton, Ohio.

The annual distribution from this fund shall be used to fund one or more scholarships to medical students in the College of Medicine based on academic merit and/or financial need. Scholarship recipients shall be selected by the dean of the College of Medicine at the recommendation of the College of Medicine Scholarship Committee in consultation with the College's vice dean for Education and the University's Office of Student Financial Aid.

In any given year that the endowment distribution is not fully expended, the unused portion should be reinvested in the endowment principal.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the dean of the College of Medicine and by the senior vice president for Health Sciences. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$50,000.00

### **The Alan and Susan Letson Retina and Ophthalmology Fund**

The Alan and Susan Letson Retina and Ophthalmology Fund was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio

## **December 7, 2007 meeting, Board of Trustees**

State University Foundation with gifts from Dr. Holton C. Letson of Hilton Head, South Carolina.

The annual distribution from this fund shall be used to support the education of ophthalmology residents, acquisition of equipment for research, clinical and patient care, projects in retina disease, and emerging priorities or initiatives related to retina disease in the Department of Ophthalmology. Allocation of funds shall be approved by the chairperson of the Department of Ophthalmology in consultation with the senior vice president for Health Sciences and the dean of the College of Medicine and reviewed by Alan and Susan Letson or their designee(s) at their request. The Department of Ophthalmology will also provide annual reports of fund expenditures to Alan and Susan Letson or their designee(s).

In any given year that the endowment distribution is not fully used for its intended purpose, the unused portion should be held in the distribution account to be used in subsequent years and only for the purposes of the endowment, or reinvested in the endowment principal at the discretion of the chairperson of the Department of Ophthalmology in consultation with the senior vice president for Health Sciences and the dean of the College of Medicine.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that the endowment established herein should benefit the University in perpetuity. Should unforeseen circumstances arise in the future so that the need for this endowment ceases to exist, then another use as nearly aligned with the original intent of the contribution as good conscience and need dictate, shall be designated by the Foundation's Board of Directors and the University's Board of Trustees. In making this alternate designation, the Boards shall seek advice from Alan and/or Susan Letson or the Letsons' designee(s) and as recommended by the chairperson of the Department of Ophthalmology in consultation with the dean of the College of Medicine and the senior vice president for Health Sciences.

Amount Establishing Endowment: \$50,000.00

### **Clermont County Alumni Scholarship Endowment Fund**

The Clermont County Alumni Scholarship Endowment Fund was established December 7, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from the OSU Alumni Club of Clermont County.

The annual distribution from this fund shall provide scholarships for high school graduates from Clermont County, Ohio. Scholarship recipients will be recommended by the OSU Clermont County Alumni Club and selected by the Office of Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

## **December 7, 2007 meeting, Board of Trustees**

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the director of the Office of Student Financial Aid. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$25,325.00 (grandfathered)

### Change in Description of Named Endowed Fund

#### Rosalie S. and Edward O. Elliott II Scholarship Fund

The Rosalie S. and Edward O. Elliott II Scholarship Fund was established July 13, 2007, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Rosalie S. Elliott (B.S. 1967) and Edward O. Elliott II. The description was revised December 7, 2007.

The annual distribution from this fund shall provide one or more need-based scholarships for full-time undergraduate students who are graduates of Ridgemont High School of Hardin County, Ohio, or graduates of its successor high school who live in the Ridgemont High School district. It is the donors' desire that students enrolled at a regional campus be given equal consideration as students enrolled on main campus. First preference shall be given to undergraduate students enrolled in the College of Education and Human Ecology or the College of Food, Agricultural, and Environmental Sciences.

Furthermore, it is the donors' desire that if in a given year there are no qualified students who have graduated from Ridgemont High School of Hardin County, Ohio, or graduates of its successor high school who live in the Ridgemont High School district, then graduates from any high school in Hardin County, Logan County, or Union County, Ohio, may be considered.

The scholarships will be awarded at a minimum of \$500 each. The scholarship shall be distributed equally among the quarters enrolled during the academic school year for expenses such as the cost of tuition, room and board, books and supplies, an educational stipend, and miscellaneous educational expenses. The scholarship is renewable up to 12 quarters or until completion of a baccalaureate degree, whichever comes first, as long as the recipient maintains financial need. In any given year that the endowment distribution is not fully expended, the unused portion should be reinvested in the endowment principal. The fund will be administered by the Office of Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the Office of Student Financial Aid. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

## **December 7, 2007 meeting, Board of Trustees**

### Change in Name and Description of Named Endowed Fund

#### **Outstanding Newark Psychology Student Endowed Award Fund**

The Scott/Staats Psychology Endowment Fund was established July 9, 2004, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation with gifts from the estate of Ruth Scott, associate professor emeritus of psychology at The Ohio State University-Newark, and Dr. Sara Staats (B.S. 1952, M.A. 1954, Ph.D., 1958), professor of psychology at The Ohio State University-Newark. The name and description were revised December 7, 2007.

Ruth Scott, supported by Sara Staats, established this award to recognize research activities of OSU-Newark psychology students and to improve their opportunities for entry into graduate school.

The annual distribution from this fund shall be used to fund the annual Outstanding Newark Psychology Student Award offered to an OSU-Newark psychology student, as well as the costs associated with offering the award. The award shall be given to students with research achievements such as publications in peer reviewed articles; presentations at national, regional, or state conferences; and intent to perform an undergraduate honors thesis. In most cases recipients shall have at least a 3.5 grade point average in psychology courses and little, if any, consideration shall be given to the candidates involvement in service work. Recipients shall be selected by a committee composed of the tenured and tenure-track OSU-Newark Psychology faculty and an ex officio member from academic advising in consultation with the University's Office of Student Financial Aid.

The remainder of the distribution shall be used at the discretion of the OSU-Newark psychology faculty, with preference for support to promote the development of a master of psychology degree program at OSU-Newark that would have the training of teachers of psychology as a central goal.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by The Ohio State University-Newark psychology tenured and tenure-track faculty. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.

\*\*\*

**APPROVAL TO ENTER INTO A FEASIBILITY STUDY CONTRACT, TO  
ENTER INTO DESIGN CONTRACTS, TO ENTER INTO CONSTRUCTION  
CONTRACTS, AND TO INCREASE A CONSTRUCTION CONTRACT**

Resolution No. 2008-64

**APPROVAL TO ENTER INTO A FEASIBILITY STUDY CONTRACT**

**December 7, 2007 meeting, Board of Trustees**

**ACADEMIC CORE NORTH FACILITIES PLAN**

**APPROVAL TO ENTER INTO DESIGN CONTRACTS**

AGRICULTURAL ADMIN BUILDING WINDOW REPLACEMENT  
CANFIELD HALL – SOUTH ELEVATOR UPGRADE  
CRAMBLETT HALL RENOVATION (MCFP)  
DEMOLITION AND DECOMMISSIONING OF MED CENTER FACILITIES  
(MCFP)  
EVANS LAB 4<sup>TH</sup> FLOOR LAB RENOVATIONS  
FAWCETT TOWER – ROOF REPLACEMENT  
JAMES CANCER HOSPITAL – ROOM 064 TO 024 RELOCATE CT SCANNER  
MACQUIGG LAB ELEVATOR UPGRADE  
MANSFIELD CAMPUS – ROOF REPLACEMENTS AND RENOVATIONS  
MEDICAL TANK FARM AND FUEL OIL STORAGE (MCFP)  
MERSHON AUDITORIUM AIR HANDLING UNIT AND HEATING  
RENOVATIONS  
RANEY COMMONS – ROOF REPLACEMENT  
SCHOTTENTSTEIN CENTER – BASKETBALL PRACTICE FACILITY  
SOUTH HIGH RISE BATHROOM AND AC  
TAYLOR TOWER – ELEVATOR UPGRADE  
WATTS HALL ELEVATOR UPGRADES  
WILCE STUDENT HEALTH CENTER – PHASE 4  
WILLIAM H. HALL HOUSING COMPLEX EXPANSION

**APPROVAL TO ENTER INTO CONSTRUCTION CONTRACTS**

9<sup>TH</sup> AVENUE PARKING GARAGE EXPANSION (MCFP)  
CANFIELD HALL – SOUTH ELEVATOR UPGRADE  
CANFIELD HALL – BATHROOM RENOVATIONS  
CRAMBLETT HALL RENOVATION (MCFP)  
FAWCETT TOWER – ROOF REPLACEMENT  
JAMES CANCER HOSPITAL – ROOM 064 TO 024 RELOCATE CT SCANNER  
LANE AVENUE PARKING GARAGE  
MACQUIGG LAB ELEVATOR UPGRADE  
MANSFIELD CAMPUS – ROOF REPLACEMENTS AND RENOVATIONS  
MORRISON TOWER – FAN COIL UNIT REPLACEMENT  
RANEY COMMONS – ROOF REPLACEMENT  
STUDENT ACADEMIC SERVICES BUILDING  
WATTS HALL ELEVATOR UPGRADES

**APPROVAL TO INCREASE A CONSTRUCTION CONTRACT**

LARKINS HALL – CONDENSATE PIPING REPLACEMENT

Synopsis: Authorization to enter into a feasibility study contract, enter into design and construction contracts, and to increase a construction contract, as detailed in the attached materials, is requested.

WHEREAS in accordance with the attached materials, the University desires to undertake and enter into a feasibility study contract for the following project:

Academic Core North Facilities Plan (07-08 capital request)	\$1.2M	State funds
--	--------	-------------

WHEREAS in accordance with the attached materials, the University desires to undertake and enter into design contracts for the following projects:

Agriculture Admin Building Window Replacement (07-08 Basic Renovation request)	\$1.2M	State funds
---	--------	-------------

## December 7, 2007 meeting, Board of Trustees

Canfield Hall – South Elevator Upgrade (09-10 capital request)	\$0.4M	Bond proceeds
Cramblett Hall Renovation (MCFP) (N/A)	\$0.6M	Bond proceeds
Demolition and Decommissioning of Med Center Facilities (N/A)	\$5.0M	Bond proceeds
Evans Lab 4 <sup>th</sup> Floor Lab Renovations (07-08 basic renovation request)	\$1.1M	State funds
Fawcett Tower – Roof Replacement (N/A)	\$0.5M	Bond proceeds
James Cancer Hospital – Room 064 to 024 Relocate CT Scanner (N/A)	\$0.2M	Auxiliary funds
MacQuigg Lab Elevator Upgrade (07-08 Basic Renovation request)	\$0.4M	State funds
Mansfield Campus – Roof Replacements and Renovations (07-08 Basic Renovation request)	\$0.4M	State funds
Medical Tank Farm and Fuel Oil Storage (MCFP) (N/A)	\$1.5M	Bond proceeds
Mershon Auditorium Air Handling Unit and Heating Renovation (07-08 basic renovation request)	\$2.6M	State funds
Raney Commons – Roof Replacement (N/A)	\$0.5M	Bond proceeds
Schottenstein Center – Basketball Practice Facility (N/A)	\$22.0M	Auxiliary funds
South High Rise Bathroom and AC (09-10 capital request)	\$34.3M	Bond proceeds
Taylor Tower – Elevator Upgrade (N/A)	\$1.5M	Bond proceeds
Watts Hall Elevator Upgrades (07-08 basic renovation request)	\$0.3M	State funds
Wilce Student Health Center – Phase 4 (09-10 capital request)	\$10.0M	Bond proceeds
William H. Hall Housing Complex Expansion (09-10 capital request)	\$15.1M	Bond proceeds

WHEREAS in accordance with the attached materials, the University desires to enter into construction contracts for the following projects:

9 <sup>th</sup> Avenue Parking Garage Expansion (MCFP) (N/A)	\$21.7M	Bond proceeds Auxiliary funds
Canfield Hall – South Elevator Upgrade (09-10 capital request)	\$0.4M	Bond proceeds
Canfield Hall - Bathroom Renovations (09-10 capital request)	\$2.5M	Bond proceeds
Cramblett Hall Renovation (MCFP) (N/A)	\$0.6M	Bond proceeds
Fawcett Tower – Roof Replacement (N/A)	\$0.5M	Bond proceeds
James Cancer Hospital – Room 064 to 024 Relocate CT Scanner (N/A)	\$0.2M	Auxiliary funds
Lane Avenue Parking Garage (07-08 capital request)	\$28.0M	Bond proceeds
MacQuigg Lab Elevator Upgrade (07-08 basic renovation request)	\$0.4M	State funds
Mansfield Campus – Roof Replacements and Renovations (07-08 basic renovation request)	\$0.4M	State funds
Morrison Tower – Fan Coil Unit Replacement (N/A)	\$2.1M	Bond proceeds



## December 7, 2007 meeting, Board of Trustees

Student Academic Services Building (07-08 capital request)	\$32.5M	Central funding
Raney Commons – Roof Replacement (N/A)	\$0.5M	Bond proceeds
Watts Hall Elevator Upgrades (07-08 basic renovation request)	\$0.3M	State funds

WHEREAS in accordance with the attached materials, the University desires to increase the construction contract for the following project:

Larkins Hall – Condensate Piping Replacement (05-06 Basic Renovation request)	\$0.3M	State funds Repair & Ren funds
--	--------	-----------------------------------

*\* Parentheses indicates the biennial capital request or other action by the Board of Trustees to authorize the capital project, renovation projects funded by internal office or department funds that are noted as "N/A" have not had separate capital project authorization because of their small size or because they arose unexpectedly between capital planning cycles.*

## NOW THEREFORE

BE IT RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to enter into a feasibility study contract, enter into design and construction contracts, and to increase a construction contract for the projects listed above in accordance with established University and State of Ohio procedures, with all actions to be reported to the Board at the appropriate time.

(See Appendix XXIX for background information, page 723.)

\*\*\*

## AUTHORIZATION TO ENTER INTO DESIGN, CONSTRUCTION MANAGEMENT, AND CONSTRUCTION CONTRACTS

Resolution No. 2008-65

Synopsis: Authorization to enter into design, construction management, and construction contracts for University capital projects as necessary between Board of Trustees meetings is requested.

WHEREAS to support the Academic Plan, ensure timely design and construction of University facilities and improvements, and make the most effective use of limited financial resources, the University desires to move forward expeditiously with needed capital projects, subject to approval by the Board of Trustees; and

WHEREAS the recent changes approved by the Board of Trustees with respect to the schedule of Board meetings extend the periods between meetings; and

WHEREAS during these intervening periods, the Board desires to facilitate such capital project approvals, subject to appropriate review and oversight:

## NOW THEREFORE

BE IT RESOLVED, That in the intervening periods between regularly scheduled meetings of the Board of Trustees, the Chair of the Fiscal Affairs Committee, in consultation with the Committee and with the Chair of the Board of Trustees as appropriate, shall have the authority, on behalf of the Board of Trustees, to authorize design, construction management, and construction contracts, and approve other related actions, for University capital projects; and

**December 7, 2007 meeting, Board of Trustees**

BE IT FURTHER RESOLVED, That, during these intervening periods, as approved by the President, the Senior Vice President for Business and Finance shall present any needed actions to authorize design, construction management, and/or construction contracts or take any related actions for capital projects to the Chair of the Fiscal Affairs Committee, as she or he may direct, for review and approval; and

BE IT FURTHER RESOLVED, That, in accordance with the process outlined above and subject to the written approval of the Chair of the Fiscal Affairs Committee, the President and/or Senior Vice President for Business and Finance shall be authorized to enter into design contracts and construction management contracts and enter into construction contracts, if satisfactory bids are received, and take any other related actions on capital projects, in accordance with established University and State of Ohio procedures, with these actions to be reported to the Board at its next meeting.

\*\*\*

**FIVE-YEAR LEASE - OSU MEDICAL CENTER  
COMPREHENSIVE TRANSPLANT CENTER**

Resolution No. 2008-66

RELOCATION AND EXPANSION  
760 KINNEAR ROAD  
COLUMBUS, OHIO 43212

Synopsis: Authorization is requested for entering into a five-year lease of approximately 15,000 SF of office space located on the first and second floors of the two-story office building located at 760 Kinnear Road, Columbus, Ohio, 43212, to be occupied by The Ohio State Medical Center Comprehensive Transplant Center.

WHEREAS the Board of Trustees of The Ohio State University is presented with the opportunity to enter into a five-year lease of real property at 760 Kinnear Road owned by Battelle Memorial Institute Employees Credit Union; and

WHEREAS the property contains approximately 20,000 SF and is adjacent to the current operations of the Comprehensive Transplant Center located at 770 Kinnear Road; and

WHEREAS this property will adequately satisfy the relocation and expansion of office requirements of the Comprehensive Transplant Center and the OSU Medical Center has determined that the lease of this property is in the best interest of the University; and

WHEREAS the funds for the lease will be provided by the Department of Transplant Services:

NOW THEREFORE

BE IT RESOLVED, That the President and/or the Senior Vice President for Business and Finance be authorized to enter into a five-year lease of the improved real property at 760 Kinnear Road for use by The Ohio State University Medical Center and its uses. The lease will be negotiated to contain rental terms and lease conditions determined to be in the best interest of the OSU Medical Center and the University.

(See Appendix XXX for background information, page 753.)

\*\*\*

**CHANGE OF CONTRACT FOR PHARMACY BENEFIT MANAGER**

Resolution No. 2008-67

Synopsis: The award of Pharmacy Benefit Manager (PBM) services for members of the OSU Faculty and Staff Health Plans is proposed.

WHEREAS The Ohio State University proposes a new Pharmacy Benefit Manager for its medical plan membership to provide services such as mail service dispensing facilities, customer service, retail pharmacy network, and prescription drug claims processing; and

WHEREAS the Purchasing Department has approved the procurement process for selecting the PBM; and

WHEREAS Buck Consulting and Porter Wright Morris & Arthur were employed to assist with the selection of the PBM and the terms of the contract; and

WHEREAS this opportunity is a result of a collaborative purchasing process with three of the Ohio retirement systems (Ohio PERS, STRS Ohio, and Ohio SERS), and will result in very substantial cost savings; and

WHEREAS the appropriate University offices have reviewed the proposals, and based on the financial considerations, as well as the services, operations and strategies to be provided, it is the recommendation of the Office of Human Resources and OSU Managed Health Care Systems (MHCS) with the concurrence of the Purchasing Department that Express Scripts be awarded a contract to provide Pharmacy Benefit Management services to the University:

NOW THEREFORE

BE IT RESOLVED, That the contract to perform Pharmacy Benefit Management services for OSU Faculty and Staff Health Plans be awarded to Express Scripts for a three-year period effective January 1, 2008, with the option to secure additional terms with Express Scripts for up to a total of six years and that the Senior Vice President for Business and Finance, in consultation with the Associate Vice President for Human Resources and CEO of MHCS, be authorized to negotiate any subsequent renewal agreement and to take any other appropriate action to manage this ongoing contract.

(See Appendix XXXI for background information, page 755.)

\*\*\*

**ONE-TIME SEPARATION INCENTIVE PROGRAM FOR THE  
COLLEGE OF FOOD, AGRICULTURAL AND ENVIRONMENTAL SCIENCES**

Resolution No. 2008-68

Synopsis: Approval of the proposed one-time separation incentive program for the College of Food, Agricultural, and Environmental Sciences for workforce reduction and reorganization is requested.

WHEREAS the Board of Trustees of The Ohio State University is vested with authority, pursuant to Chapter 3335 of the Revised Code to adopt bylaws, rules

## **December 7, 2007 meeting, Board of Trustees**

and regulations governing the operations of the University, including but not limited to, fixing of compensation for employees of the University; and

WHEREAS in 2002 the Board of Trustees approved a Severance Program, wherein a table of salary and benefit continuation is provided for those who are involuntarily separated from the University; and

WHEREAS the economic value of severance benefits could be constructively utilized to provide incentives for voluntary employment separation when workforce reductions are needed, minimizing the necessity for the disruption of involuntary separations; and

WHEREAS the level of funding for the College of Food, Agricultural, and Environmental Sciences for FY2008 and FY2009, combined with the need to keep faculty and staff salaries competitive will result in a projected \$4.7 million shortfall in addition to similar shortfalls in the FY2006-07 biennium for the College; and

WHEREAS the University desires to institute a one-time Separation Incentive Program for the College of Food, Agricultural, and Environmental Sciences to assist the College in addressing short-term financial demands and providing a speedier transition process toward achieving sustainable levels of employees and programs; and

WHEREAS such a program would provide cash payments and related economic incentives of such economic value that is within the range of the previously adopted severance program benefits:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby authorizes the Executive Vice President and Provost and the Associate Vice President for Human Resources to implement a one-time Separation Incentive Program for the College of Food, Agricultural, and Environmental Sciences, as described in Attachment A, to be effective immediately; and

BE IT FURTHER RESOLVED, That the University shall report back to the Board of Trustees at the appropriate time on the operation of this program.

(See Appendix XXXII for background information, page 757.)

\*\*\*

### **DESIGNATION OF APPOINTING AUTHORITY AND DELEGATION OF AUTHORITY FOR THE ADMINISTRATION OF CLASSIFIED CIVIL SERVICE STAFF AND COLLECTIVE BARGAINING**

Resolution No. 2008-69

Synopsis: Authority to designate the Associate Vice President for Human Resources as the University's Appointing Authority for all personnel issues related to the University's classified civil service staff and law enforcement officers and/or peace officers is proposed.

WHEREAS the Board of Trustees desires to make clear its delegation of authority to the Associate Vice President for Human Resources of all rights, powers, and authority as the University's Appointing Authority, to include any and all authority required for the administration of our classified civil service staff and collective bargaining:

**December 7, 2007 meeting, Board of Trustees**

NOW THEREFORE

BE IT RESOLVED, That upon the recommendation of the President, and pursuant to Chapter 3335 of the Ohio Revised Code, the Board of Trustees hereby designates and appoints the Associate Vice President for Human Resources as the University's Appointing Authority for all classified civil service staff in accordance with Chapter 124 of the Ohio Revised Code and all University law enforcement officers and/or peace officers in accordance with Chapters 109 and 3345 of the Ohio Revised Code; and

BE IT FURTHER RESOLVED, That the Board of Trustees hereby delegates and assigns to the University's Appointing Authority full authorization, pursuant to Chapter 4117 of the Ohio Revised Code, to negotiate, ratify, fund and otherwise administer any and all collective bargaining agreements on behalf of the University; and

BE IT FURTHER RESOLVED, That the Associate Vice President for Human Resources shall report to the Board of Trustees from time to time, as he deems appropriate or as the Board requests, on actions taken pursuant to this resolution, effective immediately.

\*\*\*

**REVISIONS TO THE POLICY ON PURCHASING AND COMPETITIVE  
BIDDING**

Resolution No. 2008-70

Synopsis: Authorization for the adoption of the revised policy on purchasing and competitive bidding is requested.

WHEREAS it is the policy of The Ohio State University to solicit competitive bids or proposals in making University purchases in all cases wherein the best interest of the University will be served by such competition; and

WHEREAS the University's policy on purchasing and competitive bidding has been established by the Board of Trustees through Resolutions 84-61, 85-29, 86-41, 87-38, 87-39, 88-55, 92-78, 95-17, and 2002-97 and there is a need to revise and update the University's policy on purchasing:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby revises the policy on purchasing, as follows, effective immediately:

1. Under the direction of the Senior Vice President for Business and Finance, the Office of Business Operations shall have the responsibility and requisite authority for the purchase of equipment, materials, supplies, and services for the University.
2. Except as provided below, all equipment, materials, supplies, and services shall be purchased through solicitation of competitive bids or proposals except where such equipment, materials, supplies, or services are purchased pursuant to Sections 4115.31 to 4115.35 and 5147.07 of the Revised Code, or where the amount of such purchase of equipment, materials, and/or supplies is less than \$25,000 or where the purchase of services, or any combination of services, equipment, materials, and supplies, is less than \$50,000. The above threshold amounts notwithstanding, the University may require competitive bidding for

## **December 7, 2007 meeting, Board of Trustees**

purchases below these threshold amounts if it determines that such bidding is in the best interest of the University. Contracts shall be awarded to the lowest responsible and responsive bidder. In accordance with policies and procedures established by the Office of Business and Finance, the University may accept or reject any or all bids or proposals in whole or by item. For any contract authorized by the University's policy on purchasing, the University is authorized to make multiple awards as provided for in the University's request for bids or proposals.

3. The President and/or Senior Vice President for Business and Finance, or his or her designee, may grant a waiver from competitive bidding when he or she determines that an emergency or a sufficient economic reason exists, or that the equipment, materials, supplies, or services can be purchased only from a single supplier ("sole source").
4. The President and/or Senior Vice President for Business and Finance, upon recommendation of the appropriate University office responsible for University collections and with any necessary budgeting approval, is authorized on behalf of the University, on a continuing basis, to purchase (including through the commissioning of such work or objects), without competitive bidding, objects of fine or decorative art or other objects to be collected for and on behalf of the University, from funds authorized for such purposes, upon such terms and conditions as are deemed to be in the best interest of the University, but not to exceed \$1 million per art work or collection based on an appraisal (or appraisals) acceptable to the University. This provision rescinds Resolution 84-61.
5. The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase, without competitive bidding, equipment, materials, supplies, or services through any non-profit or governmental agencies or consortia (including but not limited to the Inter University Council Purchasing Group) whose contracts meet the competitive bidding requirements as determined by the University, upon such terms and conditions as are in the best interest of the University.
6. The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to enter into agreements, without competitive bidding, for entertainment acts, performers, and artists, and their selected, required, or contractually mandated promoters or associated vendors, as scheduled by various University departments, upon such terms and conditions as are in the best interest of the University.
7. Resolution 87-38 is hereby reconfirmed and the President and/or Senior Vice President for Business and Finance, in consultation with the Senior Vice President for Research, is authorized on behalf of the University, on a continuing basis, to negotiate and to enter into, without competitive bidding, agreements, including purchase agreements, as are necessary or desirable to acquire, finance, install, equip, maintain, operate, and update current generation and subsequent new generation supercomputing equipment developed by or for use with Cray Research, Inc., supercomputing equipment.
8. In accordance with Section 5513.01(B) of the Revised Code, the President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase, without competitive bidding, through Ohio Department of Transportation

## **December 7, 2007 meeting, Board of Trustees**

agreements, machinery, materials, supplies or other articles upon such terms and conditions that are in the best interest of the University.

9. The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase, without competitive bidding, books, periodicals, and other related items for the University Libraries' collections.
10. In compliance with Section 125.081 of the Revised Code and any applicable court decisions, the University shall set aside a number of purchases each year for bidding by certified minority businesses only. The bidding procedures for such contracts shall be the same as for all other contracts except that: 1) only minority business enterprises certified by the State of Ohio Equal Employment Opportunity Coordinator shall be qualified to submit bids; and 2) the cost of products and services may not exceed the estimated market price by more than approximately 10%. If bids are rejected because of this cost consideration, the purchase shall be offered again for bid by all interested vendors in accordance with standard bidding procedures.
11. Resolution 95-17 is hereby reconfirmed, and notwithstanding any other provision of this policy on purchasing, the Vice President of Health Services shall have the responsibility and requisite authority for the purchase of equipment, materials, supplies, and services for the Hospitals of the University and their related facilities, in accordance with this University Purchasing Policy. The exercise of this authority by the Vice President of Health Services shall be subject to the oversight authority of the Senior Vice President for Business and Finance who shall review the application of this delegation of authority every three years.
12. Resolutions 87-39 and 88-55 are hereby reconfirmed, and the President and/or Senior Vice President for Business and Finance is authorized, on a continuing basis, to purchase, without competitive bidding, equipment, materials, supplies, or services through the University Hospital Consortium, Inc., and the Hospital Helicopter Consortium of Central Ohio, whose contracts meet the competitive bidding requirements as determined by the University, and upon such terms and conditions as are in the best interest of the University.
13. The President and/or Senior Vice President for Business and Finance is authorized, on behalf of the University, on a continuing basis, to negotiate and enter into agreements, to purchase services for blood and organ products for transplantation, without competitive bidding, upon such terms and conditions as are in the best interest of the University. This provision rescinds Resolution 86-41.
14. The President and/or the Senior Vice President for Business and Finance is authorized on behalf of the University to employ reverse-auctioning procurement methods for the purchase of goods and services, in accordance with the competitive bidding requirements as determined by the University.
15. Resolution 2002-97 is hereby reconfirmed, and the President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase without competitive bidding, equipment, materials, supplies, or services through participation in State of Ohio term schedules in which the vendor guarantees that the State will receive the lowest price as offered to the federal government

## **December 7, 2007 meeting, Board of Trustees**

and in which the vendor agrees to accept all of the State's terms and conditions.

16. The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase without competitive bidding, the renewal of licenses and maintenance agreements for existing mission critical enterprise-wide software applications, upon such terms and conditions as are in the best interest of the University.
17. The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis and without competitive bidding, to negotiate and enter into real estate lease agreements in accordance with existing University procedures, upon such terms and conditions as are in the best interest of the University.
18. The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase without competitive bidding, municipally based and other single-source supplies of utility services, upon such terms and conditions as are in the best interest of the University.
19. The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase without competitive bidding and in support of the mission of WOSU Public Media, products and services available solely through the Public Broadcast Service, National Public Radio and the National Program Service (including but not limited to programming fees and promotional products), upon such terms and conditions as are in the best interest of the University.
20. The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase without competitive bidding, necessary services for authorized student exchange programs with other institutions of higher education, upon such terms and conditions as are in the best interest of the University.
21. The President and/or Senior Vice President for Business and Finance is authorized, on behalf of the University, on a continuing basis, to negotiate and enter into agreements to purchase physician services in support of the University Health System, without competitive bidding, upon such terms and conditions are in the best interest of the University.
22. Notwithstanding any other provision of this policy to the contrary, any contract or purchase, whether competitively bid or not, for goods or services which contract or purchase is in excess of \$1 million must have the prior written approval of the Senior Vice President for Business and Finance.
23. Notwithstanding any other provision of this policy to the contrary, any contract or purchase for goods or services for which competitive bidding is waived, and which contract or purchase is in excess of \$500,000 must have the prior written approval of the Senior Vice President for Business and Finance.
24. All contracts or purchases for goods or services for which contract or purchase is in excess of \$250,000 for which competitive bidding is waived, shall be reported to the Board on a quarterly basis.



**December 7, 2007 meeting, Board of Trustees**

25. A report of all contracts or purchases for goods or services for which competitive bidding is waived shall be provided to the Board of Trustees Office on a semi-annual basis.
26. This policy applies to all funds administered by The Ohio State University.

\*\*\*

**REVISION OF THE ENDOWMENT FUND INVESTMENT POLICY**

Resolution No. 2008-71

Synopsis: Revision of the University's Endowment Fund Investment Policy is proposed.

WHEREAS the Board of Trustees, from time to time, has adopted specific policies governing various aspects of the management of the investment portfolios; and

WHEREAS there is a need for comprehensive policies to provide for the overall management of the investment portfolios; and

WHEREAS there is need to modify the comprehensive policies on occasion:

NOW THEREFORE

BE IT RESOLVED, That the following Endowment Investment Policy for The Ohio State University be adopted by the Board of Trustees; and

BE IT FURTHER RESOLVED, That the Treasurer and/or Senior Vice President for Business and Finance be, and hereby are, directed and authorized to implement and administer this policy and to manage the Endowment Investment Portfolio in accordance with this policy.

Upon motion of Mr. Schottenstein, seconded by Mr. Brass, the Board of Trustees adopted the foregoing resolution with twelve affirmative votes cast by Trustees Cloyd, Hendricks, McFerson, Davidson, Ong, Wexner, O'Dell, Hicks, Fisher, Schottenstein, Brass, and Marbley.

\*\*\*

**APPOINTMENT OF INVESTMENT MANAGERS  
AND REALLOCATION OF FUNDS**

Resolution No. 2008-72

WHEREAS it is the policy of The Ohio State University to utilize the service of external Investment Managers to assist in the management of the University's Long-Term Investment Pool; and

WHEREAS the Development and Investment Committee of the Board of Trustees periodically reviews the results obtained by the external investment managers and the amount of funds assigned to each of them; and

WHEREAS it is prudent practice to reallocate funds assigned to external investment managers as conditions change; and

WHEREAS the number of external investment managers and the amount of funds assigned to them shall be determined by the Board of Trustees; and

## December 7, 2007 meeting, Board of Trustees

WHEREAS the Board of Trustees last approved the Appointment of Investment Managers and Reallocation of Funds on September 21, 2007:

NOW THEREFORE

BE IT RESOLVED, That the following changes shall be made:

	Allocation as of 10/31/07	Changes	Revised Allocation
<b><u>International Equity</u></b>			
BlackRock	\$72,606,812	\$11,000,000	\$83,606,812
LSV Asset Management	\$67,489,875	\$16,000,000	\$83,489,875
Voyageur	\$64,252,328	\$19,000,000	\$83,252,328
State Street International Alpha	\$286,596,185	(\$46,000,000)	\$240,596,185
<b><u>Domestic Fixed Income</u></b>			
Cypress Asset Management	\$46,365,710	(\$46,365,710)	\$0
JPMorgan	\$23,035,329	\$22,000,000	\$45,035,329
State Street Aggregate Index	\$10,420,251	\$24,365,710	\$34,785,961
<b><u>High Yield Fixed Income</u></b>			
Commonfund High Yield	\$0	Fund closed	\$0
Lehman Brothers	\$33,238,884	\$7,100,000	\$40,338,884
<b><u>Venture Capital/Private Equity</u></b>			
Wayzata Opportunities II	\$0	\$10,000,000	\$10,000,000
<b><u>Real Estate</u></b>			
Walton Street VI	\$0	\$10,000,000	\$10,000,000
<b><u>Domestic Equity</u></b>			
Standish Mellon	\$0	\$120,000,000 <sup>(1)</sup>	\$120,000,000

<sup>(1)</sup> Portable alpha strategy. Notational value of S&P 500 Futures.

## SUPPLEMENTAL MANAGER LISTING

	Market Value as of 10/31/07	Changes	Revised Allocation	% Allocation	Target Allocation
<b><u>Domestic Large Cap Equity</u></b>					
Fifth Third	\$48,112,468		\$48,112,468		
Huntington Value	\$48,415,226		\$48,415,226		
University Students	\$26,950,044		\$26,950,044		
State Street S&P 500 Index	\$126,707,240		\$126,707,240		
Standish Mellon	\$0	\$120,000,000 <sup>(1)</sup>	\$120,000,000		
	\$250,184,978	\$120,000,000	\$370,184,978	15.3%	10%
<b><u>Domestic Mid Cap Equity</u></b>					
Meeder 100	\$46,903,001		\$46,903,001		
Meeder Enhanced	\$23,601,859		\$23,601,859		
Nicholas Applegate	\$51,073,628		\$51,073,628		
State Street Extended Index	\$102,814,130		\$102,814,130		
	\$224,392,618	\$0	\$224,392,618	9.3%	10%
<b><u>Domestic Small Cap Equity</u></b>					
Bernzott Capital Advisors	\$27,158,417		\$27,158,417		

## December 7, 2007 meeting, Board of Trustees

	Market Value as of 10/31/07	Changes	Revised Allocation	% Allocation	Target Allocation
G.W. Capital, Inc.	\$14,856,454		\$14,856,454		
Hoover Investment Management	\$35,393,555		\$35,393,555		
Independence Investments	\$35,042,166		\$35,042,166		
Nicholas Applegate	\$49,850,881		\$49,850,881		
Opus Capital Management	\$31,544,573		\$31,544,573		
State Street Russell 2000 Index	<u>\$38,530,055</u>		<u>\$38,530,055</u>		
	\$232,376,101	\$0	\$232,376,101	9.6%	10%
<u>International Equity</u>					
BlackRock	\$72,606,812	\$11,000,000	\$83,606,812		
LSV Asset Management	\$67,489,875	\$16,000,000	\$83,489,875		
Newgate Capital Management	\$50,777,965		\$50,777,965		
Voyageur	\$64,252,328	\$19,000,000	\$83,252,328		
State Street International Alpha	\$286,596,185(\$46,000,000)		\$240,596,185		
State Street International Alpha Select	<u>\$123,564,403</u>		<u>\$123,564,403</u>		
	\$665,287,568	\$0	\$665,287,568	27.5%	25%
<u>Domestic Fixed Income</u>					
Cypress Asset Management	\$46,365,710(\$46,365,710)		\$0		
Hughes Capital Management	\$42,433,365		\$42,433,365		
Huntington Trust	\$44,286,092		\$44,286,092		
JPMorgan	\$23,035,329	\$22,000,000	\$45,035,329		
State Street Aggregate Index	<u>\$10,420,251</u>	<u>\$24,365,710</u>	<u>\$34,785,961</u>		
	\$166,540,747	\$0	\$166,540,747	6.9%	7%
<u>High Yield Fixed Income</u>					
Commonfund High Yield	\$0	Fund Closed	\$0		
Delaware Investments	\$33,362,051		\$33,362,051		
Lehman Brothers	<u>\$33,238,884</u>	<u>\$7,100,000</u>	<u>\$40,338,884</u>		
	\$66,600,935	\$7,100,000	\$73,700,935	3.0%	3%
<u>International Fixed Income</u>					
Brandywine Asset Management	\$22,690,719		\$22,690,719		
JPMorgan Asset Management	\$23,335,327		\$23,335,327		
State Street World Govt Ex-US Index	<u>\$28,274,542</u>		<u>\$28,274,542</u>		
	\$74,300,588	\$0	\$74,300,588	3.1%	3%
	Commitment as of 10/31/07	Commitment as of 12/7/07	Market Value as of 10/31/07	% Allocation	Target Allocation
<u>Venture Capital/Private Equity</u>					
1999 Funds:					
Commonfund Capital Partners 1999 (V/PE)	\$7,067,000	\$7,067,000	\$4,086,569		

# December 7, 2007 meeting, Board of Trustees

	Commitment as of 10/31/07	Commitment as of 12/7/07	Market Value as of 10/31/07	% Allocation	Target Allocation
Commonfund New Leaders (V/PE)	\$10,000,000	\$10,000,000	\$4,339,234		
Mesirow Partnership Fund I (V/PE)	\$10,000,000	\$10,000,000	\$5,723,517		
2000 Funds:					
CID Seed Fund (V)	\$1,000,000	\$1,000,000	\$531,830		
EDF Ventures Seed Fund (V)	\$1,000,000	\$1,000,000	\$392,988		
2001 Funds:					
Reservoir Venture Partners Fund I (V)	\$3,192,000	\$3,192,000	\$1,481,040		
2005 Funds:					
Commonfund International Partners V (V/PE)	\$10,000,000	\$10,000,000	\$4,437,915		
Commonfund Private Equity Partners VI (PE)	\$10,000,000	\$10,000,000	\$3,940,423		
Commonfund Venture Partners VII (V)	\$5,000,000	\$5,000,000	\$1,193,643		
Fort Washington Private Equity IV (V/PE)	\$5,000,000	\$5,000,000	\$3,465,524		
Mesirow Capital Partners IX (V/PE)	\$5,000,000	\$5,000,000	\$2,502,851		
Mesirow Partnership Fund III (V/PE)	\$5,000,000	\$5,000,000	\$1,774,191		
Stonehenge Opportunity Fund II, (PE)	\$5,000,000	\$5,000,000	\$1,433,264		
2006 Funds:					
Collier International Partners V, LP (V/PE)	\$10,000,000	\$10,000,000	\$1,096,373		
Hellman & Friedman Capital Pts. VI (PE)	\$10,000,000	\$10,000,000	\$2,145,155		
M/C Venture Partners VI (V)	\$5,000,000	\$5,000,000	\$1,151,580		
Oaktree Principal Opportunities IV (PE)	\$10,000,000	\$10,000,000	\$3,669,619		
Onex Partners II (PE)	\$5,000,000	\$5,000,000	\$2,862,766		
Reservoir Venture Partners Fund II (V)	\$3,000,000	\$3,000,000	\$427,278		
2007 Funds:					
BlackRock Credit Investors (PE)	\$10,000,000	\$10,000,000	\$0		
JMI Equity Fund VI (V)	\$10,000,000	\$10,000,000	\$787,651		
Jordan Resolute Fund II (PE)	\$10,000,000	\$10,000,000	\$1,075,321		
Kelso VIII (PE)	\$10,000,000	\$10,000,000	\$0		
Ohio Tech Angels (V)	\$500,000	\$500,000	\$0		
Providence VI (PE)	\$10,000,000	\$10,000,000	\$2,703,932		
Sun Capital Partners V (PE)	\$15,000,000	\$15,000,000	\$554,224		
Wayzata Opportunities II (PE)	<u>\$0</u>	<u>\$10,000,000</u>	<u>\$0</u>	<b>new</b>	

## December 7, 2007 meeting, Board of Trustees

Subtotal without placeholder	\$185,759,000	\$195,759,000	\$51,776,888	2.1%	7%
Placeholder-State Street Global Index			<u>\$115,000,000</u>		
Total with placeholder			\$166,776,888	6.9%	7%

### Natural Resources

Commonfund Natural Resources VII	\$5,000,000	\$5,000,000	\$351,629		
EnCap Energy Capital VII	\$10,000,000	\$10,000,000	\$0		
Goldman Sachs Energy Fund	\$10,000,000	\$10,000,000	\$2,632,275		
Quantum Energy Partners IV, LP	<u>\$10,000,000</u>	<u>\$10,000,000</u>	<u>\$1,276,979</u>		
Subtotal without placeholder	\$35,000,000	\$35,000,000	\$4,260,883	0.2%	3%
Placeholder-State Street Global Index			<u>\$56,100,443</u>		
Total with placeholder			\$60,361,326	2.5%	3%

### Real Estate-Partnership Funds

BPG Properties	\$15,000,000	\$15,000,000	\$1,999,288		
Carlyle Realty Partners V	\$10,000,000	\$10,000,000	\$2,229,400		
Praedium Fund VII	\$10,000,000	\$10,000,000	\$972,222		
Walton Street VI	<u>\$0</u>	<u>\$10,000,000</u>	<u>\$0</u>	<b>new</b>	
			\$5,200,910		

	Market Value as of 10/31/07	Changes	Revised Allocation
<u>Real Estate-Other</u>			
Campus Partners	\$20,000,000		\$20,000,000
Don Scott Airport	\$20,000,000		\$20,000,000
Miscellaneous	\$13,780,000		\$13,780,000
State Street Wilshire REIT Index	<u>\$119,025,427</u>		<u>\$119,025,427</u>
	\$172,805,427	\$0	\$172,805,427

Total Real Estate \$178,006,337 7.4% 8%

### Absolute Return Funds

Angelo Gordon (in placeholder until funded)	\$29,835,092		\$29,835,092		
Commonfund Hedged Investors	\$37,682,203		\$37,682,203		
Davidson Kempner	\$25,999,823		\$25,999,823		
Farallon	\$32,772,607		\$32,772,607		
GMO	\$15,833,983		\$15,833,983		
Golden Tree	\$21,322,551		\$21,322,551		
King Street	\$26,747,522		\$26,747,522		
Och Ziff	\$30,157,254		\$30,157,254		
Ramius Fund	\$41,920,252		\$41,920,252		
Sirios	\$15,917,064		\$15,917,064		
Wellington	\$28,175,627		\$28,175,627		
York	<u>\$29,084,245</u>		<u>\$29,084,245</u>		
	\$335,448,223	\$0	\$335,448,223	13.9%	14%

Upon motion of Ms. Hendricks, seconded by Judge Marbley, the Board of Trustees adopted the foregoing resolution with eight affirmative votes cast by Trustees Cloyd, Hendricks, McFerson, Ong, Hicks, Fisher, Brass, and Marbley,

## **December 7, 2007 meeting, Board of Trustees**

and four abstentions cast by Trustees Davidson, Wexner, O'Dell and Schottenstein.

Dr. Cloyd:

I would next like to call on Bill Shkurti and Tom Johnson for a presentation on Debt Management.

--0--

### **DEBT MANAGEMENT UPDATE**

Mr. Shkurti: [PowerPoint presentation]

Thank you, Mr. Chairman. This presentation comes out of a conversation I had with the Chair of Fiscal Affairs. Chair Davidson and I both agreed that there seemed to be a lot of questions and a lot of angst among Board members about the University's debt policies – I think more from just a point of questioning how it all fits together, and then tying that altogether with President Gee's emphasis on alignment. I think that is appropriate because we are in a position where we are going to be issuing a lot of debt over the next several years. How do our debt priorities and our debt policies align with our capital priorities, our academic priorities, our financial priorities, and our governance priorities? So this is an attempt to address that.

I realize I am dealing with an intelligent audience, but it has a diverse background in financial issues such as debt, so I have tried to gear this above the kindergarten-level, but below the Ph.D. – in the middle and not to go to extremes in esoteric financing, rather to give everybody a good understanding of the implications.

What this is designed to do is cover four areas: 1) to set a general context for everybody; 2) to understand the concept of debt capacity; 3) then the heart of the presentation is the three policy issues: how do we maintain or protect our credit rating; what are our priorities; and how do we deal with off-balance sheet debt; 4) then conclusions and next steps. The other thing I would like to say is it took the work of a lot of people to put this information together and I want to acknowledge the work of Tom Johnson and his staff, and particularly Al Rodack, who is the institutional memory on debt. Al, will you please stand? And I will call on him if needed.

Let me turn first to context and answer the question of: how much debt do we have; whose is it; how has it grown; and does the University have policies regarding it? This slide shows you the total debt that existed on last June 30 – it is \$1.1 billion. This is the way the rating agencies count debt, and I will get back to that later. The biggest part of that debt is the fixed and variable rate bonds that you see there – the bottom part of the pie chart – and those are 20-year bonds. That is the standard University policy and that is really the biggest part of our debt, but you can obviously see that those are the things that count, such as capital leases and so forth.

The next chart shows you whose debt it is, because we allocate back to different units that have asked to have the debt service. You will see that the biggest portions are assigned to the Medical Center, particularly the Health System, Athletics, and Student Affairs. The thing that all three of those organizations have in common is that they are auxiliaries, which means that they generate their own revenue therefore they generate the capacity to pay off the debt. You won't see a lot of the academic units in

## December 7, 2007 meeting, Board of Trustees

there and I will talk about that later, but that gives you a sense of the spread. The other thing is that we never have a problem in collecting this when a unit commits to it, because we bill them automatically. We have had a very good record of units paying their debt back.

This next chart shows you how our debt has grown and you can see it accelerated quite a bit. In fact, it started accelerating in 1997 as President Gee left. There is a cause and effect and state funding really started to take a downturn back in the late 1990s and the University was turning more and more to its own resources. In fact, between 1997 and 2007 the University's bonded indebtedness increased five-fold. Now the amazing thing is that we maintained our credit rating in that period and we will talk about that later, but you can see it has increased quite a bit.

One question I get a lot is, "Does the University have a policy?" In fact, the policy was initially approved at the tail end of Gee XI in May 1997; it was revised in December 2003; and just recently expanded to cover leases and other elements of debt in May 2005. The major elements of the policy are what are listed in the chart -- that it is comprehensive. I want to stress two things: 1) no major capital project is initiated without prior Board approval; and the correlator to that is 2) no debt is issued without prior Board approval. That has been the case ever since that policy was approved in 1997 and it wasn't always the case in the past, but the Board is appropriately engaged in oversight. It is also the University's policy that a credit rating of at least AA must be maintained and we have been very successful at that. I think in general I can say that the University has been scrupulous about following these policies and that is one of the reasons we have been able to increase our debt and get a lot done and still maintain our credit rating.

Now we are going to turn to the concept of debt capacity, talk about what it is, why it is important, how it is determined, and how OSU compares to some benchmarks. The concept itself is really pretty simple -- how much additional long-term debt can we issue at a given credit rating? These credit ratings are similar to what you might get on your own credit and there are three for profit entities that do this: Moody's, Standard and Poor's, and Fitch. When we set out a bond issue, we actually pay them in part to give us a credit rating. The people that would buy those bonds, whether it is institutions or investors, then use that credit rating, because obviously they want to buy bonds that they know will be paid back. And depending on how high the credit rating is, or isn't, has an implication on what kind of interest rates we have to pay.

This gets us into why the credit rating matters, because it helps set the interest rate, especially if it is 20-year bonds that exist for 20 years. So the better credit rating you have, the less interest you pay. It is a good thing. It is also an external independent evaluation of the financial strength of an institution, it helps us establish a focus for scarce resources, and once it falls it is very hard to reestablish. We will talk about that later.

The only thing I would stress -- and this comes from a document that Moody's actually issued, they love to issue these pontifications when in fact they are very useful -- and what they stress, which is correct, it is not determined by formulas and ratios alone, it is really a judgment that reflects a number of factors that are listed there. One of the things that I would stress -- because this tends to get overlooked -- if you go down to the fifth bullet point, the relationship with the state. As a state institution, our debt rating and our debt capacity is determined not only by our own efforts, but

## **December 7, 2007 meeting, Board of Trustees**

by the rating agencies perception of how good of shape or not they think the state is in. The state of Ohio has had some struggles in the last couple of years, although it has been stronger more recently. There is only one institution that has a credit rating higher than the state in which it is in. We will talk about them in a minute.

Here are some additional concepts. The one that I would stress here is that it is not a static concept, your debt capacity and your debt rating can change. The third bullet point – revenue generating projects have a different impact than others. In other words, if the credit rating agencies are convinced your making good investment decisions and that the debt you are issuing has a good chance of being paid off, they are going to respond more positively than if they think the reverse.

I also want to stress the fourth bullet point and I will talk about it more in a minute. Off balance sheet financing is included despite conventional wisdom to the contrary. And we will get back to that in a minute, too.

Here is our comparison with the benchmarks. These are the benchmark institutions that are academically very highly rated, but structurally similar to Ohio State. You will see there at the top is the University of Michigan – a AAA. The highest ratings are at the top, the lowest at the bottom. Michigan is that one exception. The state is not AAA rated and, if you have been reading the press lately, you can understand why. I will talk in a minute about how Michigan is able to maintain that rating. Texas at Austin has a AAA rating as well, but a lot has to do with an endowment they have from oil wells under the ground that have been with them for years.

Mr. Schottenstein:

One quick question, Bill. If we were to move up from AA2 to AA1 incrementally, what would that mean in terms of interest rates?

Mr. Shkurti:

The general rule of thumb is that the interest rate goes up or down by 15-20 basis points per notch on the credit rating. So if you are issuing \$500 million of debt --

Mr. Schottenstein:

We have about \$950 million of debt.

Mr. Shkurti:

Remember the rating is only for the debt that is being issued at that point in time. So on a \$500 million bond issue, 20 basis points would be \$1 million. Remember that is over 20 years, so it could be \$20 million – it adds up significantly.

Ms Hendricks:

What is the state of Ohio's rating?

Mr. Shkurti:

I believe it is the equivalent of AA. Al, is that correct?

Mr. Rodack:



## December 7, 2007 meeting, Board of Trustees

AA1.

Mr. Shkurti:

AA1. The other thing I would point out is that we are in the middle. Wisconsin is not rated there because they are lumped in with the state. The University of Wisconsin is on a different system.

This next chart is kind of mischievous, but interesting. What I had our financial people do is take three institutions that represent the middles and the extremes. On the left-hand side you have the University of Michigan, which I would call the gold standard. On the right-hand side you have the University of Cincinnati, who is struggling right now, and you will see why. Then we looked at a number of different comparisons. I should also point out that in terms of the number of students, OSU is about 50,000, Michigan is about 40,000, and the University of Cincinnati is about 30,000, so that effects their size somewhat.

First look at the annual revenues, Michigan has less students but look how much more they generate in the way of revenues. Then the University of Cincinnati of course is smaller has even a lesser amount than us. Then you look at the existing debt line and the amount of debt of the three institutions is about equal.

The next line – expendable net assets is a fancy accounting word for cash and you can see that we have \$1.4 billion. But look at Michigan -- \$6.4 billion. That is not endowment, that is cash. So they are sitting on a lot of cash up there, in fact they have six times as much cash as they do debt. So even if you are a rating agency and you think the state of Michigan is going down the tubes, the University of Michigan is very strong financially. Then take a look at the University of Cincinnati, and I think you may have read in the press they have been struggling and that shows pretty clear.

So then you get down to the bottom line, which is the credit rating and you can see why Michigan is AAA, you can see why we are AA2, we are kind of in the middle, and you can see where Cincinnati is at the A level. This was done off the financial statements. They were a negative credit watch at the time; their rating was lowered to A1, which is where they are now. When I say that the University of Cincinnati is struggling, I am not exaggerating. It is going to take them years to dig out of the position they are in. Now they are going to function and they are going to survive, but they won't be able to do the kinds of things that we can do or Michigan can do, because we have kept our credit ratings strong.

This next chart is just another way of comparing where we stand. This is, in fact, a question a number of Board members have asked: What are the major ratios? Remember Moody's has pointed out that they don't rate solely on ratios, but the ratios are important. These are the three most important ratios that the rating agencies look at. We are looking at OSU compared to the median for AA2, so it is other institutions that are about as financially strong as we are. A plus there on the right-hand side means that it is good – our ratio is good compared to the others, sometimes less can be better in this case, and the negative is where we are behind. So what you will see is that our annual debt service as a percentage of our operating expenses is lower than for the AA2 median and our debt service coverage is higher. So both of those are good; we are better than the median. Where we fall a little bit behind is financial resources to direct debt – that is

## December 7, 2007 meeting, Board of Trustees

another fancy way of saying cash. So even though our morning newspaper thinks we have too much cash, the rating agencies don't concur with them. If we wanted to strengthen our financial position we should be accumulating more cash. I think this also gives you a sense of why we are in that AA2 range.

Now one question I get from time to time is: Why shouldn't we try for a AAA rating like Michigan? If we had their money it would be nice, but the short answer is that there is no way we are going to accumulate that kind of cash and we have other needs for it if we did.

Another question I get is: Why don't we take on more debt and have a lower rating? Although it would be nice to spend more money on debt, it would be real hard to crawl back from that. It would cost us more on interest, it shows a lack of institutional focus and leadership, I think, and once your rating is lowered it is very hard to get it back. If there is something that is out of your control – market down turn or the state runs into financial trouble – you have the potential to drop two levels instead of one and then it is really hard to dig out.

Now I mentioned that we would talk about issues that are really key to this discussion and there are three of them: 1) our relative priorities; 2) off balance sheet debt; and 3) future capacity. This is an interesting chart and this is state capital appropriations. You may say, "Has Bill lost his mind? What does this have to do with debt?" Actually it is important in terms of the context. What this shows is by a series of standard categories -- where our state capital appropriations are spent. You will see that 80% of it goes to colleges and libraries, because what you will see when we get to the debt side, is that it tends to be the auxiliaries who have the money to pay the debt back. It is really hard to issue debt on a library. What are you going to use to pay the money back? We try to use state money as much as we can and private gifts where we can as well. You will also notice the regional campuses are in there, they are allocated a certain portion of our debt by a state formula. This is state capital appropriations only, not debt, but it forms the next chart.

This is probably the single most important chart if we talk about priorities. It looks complicated, but it's really not. Down the left-hand side I've taken the major areas of the University, and you can see them listed there, then the next column is their share of the University's operating budget. This is just to give you a sense of the order of magnitude of their operation financially. I need to stress just because they have that share of the budget, they do not have an entitlement to that share of bond capacity – although every now and then I get that argument. In fact what management is supposed to do is to sort those decisions, to put them in a way that makes sense strategically, and I think you will see how we did it.

Then you go to the next column and that is the share of existing debt as of June 30, 2007. So some of that debt was issued 19 or 20 years ago, but it will give you a sense of the University's historic priorities. You will see the big three auxiliaries: the Medical Center, Athletics, and Student Affairs. Now the interesting one is Athletics, because whenever we do anything with Athletics it is interesting because of their size. You might ask yourself, "What the heck are you doing with 21% of the debt for Athletics and they are only 3% of your budget?" Remember we did a major renovation of the Stadium a couple of years ago. The Stadium was built in 1929, it had not undergone any renovations for 60 some years, so you had a kind of lumpy

## **December 7, 2007 meeting, Board of Trustees**

– a pig through a python -- I guess in terms of that. I will get back to that in a minute.

With Student Affairs most of the existing debt is on student services' facilities like the Recreation Center and related things like that. It also includes housing and I will get to that in a minute. Then we go down to infrastructures, colleges and libraries, and so forth. Now you will notice some double asterisks there and what that means is that they are either 0 or very little money in terms of long-term debt allocated to that area, either existing or in the future. In many cases, those units are eligible for limited, short-term lines of credit from within the University. It is not like we are starving them, but, again, the issue is where we put our priorities. I think the best example of that will be the first two lines.

If you go to the next three columns or the next three scheduled bond issues, you will see our preliminary allocations by area. For example, you will see the Medical Center going up – it was at 24% last June, it will get 33% of the next issue, 48% of the issue after that, and probably 51% of the issue after that. The reason for that is that the Medical Center back ten years ago had fairly new facilities and was not at capacity. Both of those conditions now have changed and so we are going to have to make an investment there to keep the Medical Center viable. That means it has to come out of somewhere else. Because we have had a fairly aggressive building boom in Athletics, it is our determination or our recommendation that Athletics and whatever it needs to do next funds itself out of cash reserves or short-term lines of credit. So we are not planning any additional bond issues for Athletics.

You will notice Student Affairs jumping up in 2008 and staying up there in 2010, that reflects our emphasis on dealing with some of the deferred maintenance issues in housing that we have talked about. There will be more discussion of that at the next Board meeting.

You will see infrastructure jumping up, because that historically – even though it is a small percent of the budget -- is a very important one. If you don't have water and you don't have electricity, it doesn't matter what you build if you can't operate the buildings. You will see that is probably the third major area in an increase in commitment. We are also going to try and move the colleges and libraries and Campus Partners to alternative funding that doesn't use long-term bonds, so we can free up the resources that we need there. So I hope this gives you a sense of the way the University's priorities might be changing over the next several years.

The other thing that I would mention is all of the projects that are included in those preliminary bond numbers were approved as part of the capital plan. So one of our areas of alignment is that the six-year capital plan the Board approves, and that we review annually, is what drives this allocation of both debt service or long-term bond financing and also the state capital resources.

The next issue is off-balance sheet debt. That quote there is not from me, that is from Moody's in one of their pontifications that they put out, but I find this a lot. There are a lot of people that advise me in how best to do my job and one of the things that I get -- especially from outside consultants who have money to gain by issuing debt -- is "Don't worry about it, it is not on your books." I would have to say I tend to agree with Moody's and I really don't have a choice as the University's chief financial officer. They view financing, including privatized housing under some circumstances -- and we

## December 7, 2007 meeting, Board of Trustees

will get into that in a minute -- as either direct or indirect debt of the University depending on how closely tied the project is to the University. What this flows from is the bad experience the rating agencies got burned with Enron. Enron was running a lot of stuff off the balance sheet that should have been on the balance sheet. So the rating agencies have been very diligent. A lot of universities have done privatized housing, in some cases on the balance sheet and some cases off. Privatized housing by itself, there is nothing wrong with it, but we need to be very thoughtful in approaching that.

That gets us to the next point -- also from Moody's -- which are the factors they consider as to whether they count privatized housing on the balance sheet or off the balance sheet. Again the issue is not whether it is privatized or not, but how it is structured. You can see what the three major issues are there. So it can be structured in such a way that it is not on the balance sheet. If OSU makes a decision to go that way we can do that -- in fact, the MBA housing, currently on Kenny Road, has been structured so that it stays off the balance sheet. So there are ways to do it, but you need to be careful and you need to know what we are doing if we do that.

The next issue is future capacity. How do we continue to issue all of this debt and keep our credit rating up? We thoroughly expect -- and we've talked informally with the rating agencies about this last spring -- that when we issue our \$349 million in bonds some time this winter we should maintain our current bond rate. Now when we jump up to a target of \$500 million, we will be on the outer edge of maintaining our current bond rating and could be within the AA3 range, which is a notch down. So you might ask yourself, "What the heck am I doing? We just talked about how we don't want the bond rating to slip, yet we are being somewhat aggressive in this." Let me show you two things that effect this.

What this chart shows is how the debt gets paid off. OSU has a reputation, because we normally do not issue bonds for longer than 20 years, of paying our debt off pretty aggressively. So even though in a two-year period we may be adding \$300-\$400 million in debt, we will be paying debt off at the rate of \$50 million a year, so there is some trade-off there. The more important point is this next chart shows that we do set a cap that the Board approves before we issue bonds and you will see what our historical experience has been. We tend to be a little aggressive when we set the cap, because we don't want to end up issuing bonds and not having a use for them. You will see -- in terms of what we actually issue when it comes time to issue the bonds -- it is always below the cap. In 2008 it will be substantially below the cap. So even though we have a higher cap in 2010, I expect by the time we come around to issuing the bonds it will be less than that. Part of my job and the job of my staff is to make sure that what we actually issue is not only within the cap, but protects our bond rating at the AA level. We have enough experience now in doing that and we are comfortable in doing that, but it is going to take some additional work.

So the next steps. There are a couple of things that are key elements of the capital planning process and the capital plan that you approved in September that we deliberately held open to give President Gee a chance to work through his transition and to influence these decisions. The first is reviewing our strategic alignment, which is in fact going on right now. The second is how we can approach the issue of student housing and meet our needs, yet stay within our credit rating and move forward. There is a housing taskforce that is working now that will have plans to present to the President and eventually to the Board after the first of the year. We also

## **December 7, 2007 meeting, Board of Trustees**

need to make sure that the revised Medical Center Master Facilities Plan is within these parameters and that has been our goal from the start and I think we can do that. We also need to make sure that we are moving ahead with our deferred maintenance plan. As you noticed when we showed you the allocation of bonds, at least on the infrastructure side, that is one of the things we are attempting to deal with. But obviously we have some undone work to do there.

In addition there are three issues, two of which are outside of our control, that we need to deal with and one of which is in our control. I guess you could argue that issue number one is in our control in that it is our bond capacity, our bond rating. We need to make sure that the visit from the rating agencies in the winter goes well and we have really prepared for that. From our visit with them in the spring when we went to New York to talk to them about the Medical Center Master Facilities Plan, I can say to you I think without reservation that the rating agencies like the way OSU goes about managing its debt. What they told us they liked was the fact that our Board sets a ceiling and our Board approves a set of priorities and we stick with it. Not every university does that. The other thing they like is what I mentioned earlier, that OSU is very aggressive about paying down its debt. So I am hoping that visit from the rating agencies is a positive one, but it will also give us an idea of what our flexibility is regarding 2010 and 2012. Because the other thing the rating agencies like is that we share with them our long-term plans about where we are going, we don't just talk about the current issue.

The second issue is out of our control and that is state decisions regarding the 2009 and 2010 capital appropriations process. Within the last week I have heard that they are going to make their decisions early in the year, they are going to make their decisions in the middle of the year, and they are going to make their decisions not until after the election. So we are just going to have to be flexible with that, but that is the reality we are dealing with. Once they do make their decision, that money is very helpful.

The third item is the item that was brought forward to the Fiscal Affairs and Investments Committees in September and that is the University's five-year financial goals. Those are being structured in such a way as to be in alignment with our academic priorities, our capital priorities, and also to protect our bond ratings. So as we work through that that will be under our control and we need to keep that in mind.

So by way of summary: 1) I want to stress that debt management is a strategic concept and that it is appropriate for the Board to be involved with senior management in ensuring alignment with academic and financial goals; 2) that we have had a Board approved debt management policy since May 1997 and it has worked very well and it has been updated; 3) The continued maintenance of our AA credit rating is that credit rating which is most consistent with current and future academic goals and our likely financial resources, but maintaining that rating in the future will require discipline and the allocation of debt and careful planning on our part of management of cash reserves; 4) That off-balance sheet debt may be advantageous in highly selective cases, but it is neither a panacea nor a substitute for strategic decision making; 5) That our priorities are shifting towards deferred maintenance issues regarding infrastructure, student housing, and clinical facilities and away from Athletics, student activities other than housing, and the leveraging of development funding for projects of individual colleges; And, 6) finally, the single largest remaining challenge

## **December 7, 2007 meeting, Board of Trustees**

is how to replace the erosion of state capital dollars, and we talked about that yesterday, for renovation and replacement of academic buildings.

So I hope that gives you a sense not only of the context by which our credit rating is set, but the way it aligns with other aspects of how the University operates and also what the major issues are that we will be addressing. We will be looking to you for guidance as we move forward. I would be glad to answer any questions that anybody may have.

Mr. Brass:

Bill, I thought that was an excellent report. My first question is when you talk about cash is it all in cash -- restricted funds, endowment cash? Is there anything outside when we talk about cash?

Mr. Shkurti:

Mr. Brass, I have to say first that it depends on which context. The kind of context I was talking about here, for example, when we were comparing ourselves to Michigan, that is what is called "expendable cash," so that doesn't include the endowment. It is more the kind of money that we invest either over the short-term or sitting in various accounts of different units.

Mr. Brass:

So when we look at Michigan cash to Ohio State cash it does not include their endowment money or our endowment money, is that correct? Is that what you are saying?

Mr. Shkurti:

Their endowment monies, correct.

Mr. Brass:

I think that is an important thing to consider, too, when we are looking at cash. Which leads me to my second question, which has to do with days cash-on-hand -- one of my favorite subjects. When we look at the Medical Center's days cash-on-hand it is getting stronger. One of the strategic things that we will be looking at, Bill, is how we make it even stronger. I have always been comforted by the thought that even though the Medical Center's days cash-on-hand may not be as strong as we want it today, the University's cash-on-hand, which thus helps us with our bond rating, is okay. Are you still of that mind set?

Mr. Shkurti:

Absolutely. Policies regarding the investment of operating cash that I presented to the Investments and Fiscal Affairs Committees was a first reading in September, which we haven't brought back yet, but we will, is designed to make sure we stay in that position.

Mr. Brass:

Thank you very much.

Mr. McFerson:

## **December 7, 2007 meeting, Board of Trustees**

Before I ask my question, just underscore that last point. That is your favorite question, Alan, and I'm glad you keep asking it, but we need to keep reminding ourselves that the Medical Center does have an upward dividend every year to the overall University that other medical centers don't have. So I think it is fair to look to the University if we ever needed to.

My question is – go back one slide, please – item three where you say, "Continued maintenance of a credit rating of AA." Earlier it was AA2.

Mr. Shkurti:

That is what I meant, I'm sorry. I was being generic and I should have been specific.

Mr. McFerson:

Okay, so there should have been a 2 on that one?

Mr. Shkurti:

That is correct.

Mrs. Davidson:

Mr. Chairman, I just have one quick question. Bill, I was just doing the quick addition and it appears that about 70% of our debt is for revenue generating entities. Do you see that shifting any as we go to putting more emphasis on infrastructure or dropping back more on Athletics? And is that going to effect our bond rating?

Mr. Shkurti:

Mrs. Davidson, that certainly is a fair question. I view infrastructure, once we get it built, as revenue generating because we will build into our electricity or our sewer rates where it is feasible. Although the revenue that we will be generating will be from ourselves, so it is going to get a little more tricky and a little more complex. I think you can see a pretty clear revenue stream from Athletics that is – the Stadium is a classic example -- either from tickets sales or TV revenues. That is the traditional source. Now we are probably going to be more complex in the way we mix our financing, but in any event whatever we issue, we need to make sure we can pay back.

Amb. Ong.

Bill, we have a Moody's rating. Have we ever had a rating from either of the other two rating agencies?

Mr. Shkurti:

Ambassador Ong, yes and it is the equivalent. Al, do you remember the specifics?

Mr. Rodack:

The Moody's rating is AA2, Standard & Poors is AA and Fitch is AA.

## **December 7, 2007 meeting, Board of Trustees**

Amb. Ong.

So no difference.

Mr. Shkurti:

The reason I am focused on Moody's is two parts: 1) they love to issue these statements, which actually are very helpful; and 2) they tend to be the most hard-nosed. So if you can pass the Moody's test, you usually will pass Standard and Poor's and Fitch. Though Standard and Poor's and Fitch take pride in being independent entities.

Mr. Hicks:

Bill, how often are we looking at refinancing some of this long-term debt? Is that something we look at? Have the conditions allowed us to do that effectively?

Mr. Shkurti:

Mr. Hicks, it is something we do. We just refinanced 3 or 4 years ago. Whenever there is enough of a spread in interest rates we do that. Right now probably wouldn't be a good time. We got close about a year ago and we are going to continue to watch and where we see an opportunity we do it, because that is in the equivalent of found money once we can do that.

Mr. Hicks:

What from a policy standpoint are we looking for in terms of savings? Five percent?

Mr. Shkurti:

I'm trying to remember – Al?

Mr. Rodack:

Five percent of present value.

Mr. Hicks:

Okay.

Mr. Brass:

Bill, as we look at our peer group which you had up there, has there been any movement up or down of any of our peer institutions?

Mr. Shkurti:

Not to my knowledge. The University of Cincinnati is not a peer institution, but they are an example of someone who is moving down. Al, do you recall anybody out of the benchmarks who has changed?

Mr. Rodack:



## **December 7, 2007 meeting, Board of Trustees**

Not on that list. There have been more of a trend and march of public universities that have upgraded in the last several years. This is the opposite of what happened in the 90's when the research universities got an upgrade. The institutions on the list tend to stay the same.

Mr. Shkurti:

The rating agencies tend to like the bigger universities because they are more stable. Al mentioned the upgrade -- we had a discussion about that at a Big Ten Business Officers meeting about a year ago. It was interesting that the gist of the discussion was do you really want to be upgraded. Because if you are upgraded, there is less debt to issue and a lot of those universities are facing the same kind of problems we are with deferred maintenance and everything else. It is hard to imagine, but in some ways an upgrade can be a mixed blessing.

Dr. Cloyd:

Bill, thank you and thanks to your organization for an excellent report. It has been a very helpful discussion.

(See Appendix XXXIII for background information, page 761.)

--0--

Dr. Cloyd:

This is one of these bittersweet moments where we are going to recognize a retiring individual whom on one hand we are extraordinarily happy for and on the other hand we are going to miss an awful lot. The individual is Lucy Gandert who has worked at The Ohio State University for 32 years, and has been employed in the Board Office since 1982 or 25 years.

During this time she has worked for four Board secretaries and her tenure at the University has overlapped the terms of six presidents, including Gordon Gee twice!

She has contributed in numerous ways to the exceptional work done by the Board Office, including planning meetings, events and trips, and coordinating and preparing the agenda materials for Board meetings – 254 Board meetings to be exact.

Lucy's knowledge of the history of The Ohio State University during this last quarter century and beyond is rivaled by few persons, and her devotion to the University, to accuracy, thoroughness, and the highest standards of quality are unparalleled.

Lucy, we would like to express our deep appreciation and gratitude to you, for all of these many years of extraordinary service to the Board of Trustees and to The Ohio State University. We would like to convey to you and your husband our best wishes for health and happiness in the years ahead.

Lucy, thank you very much.

Ms. E. Lucinda Gandert:

Thank you.

**December 7, 2007 meeting, Board of Trustees**

President Gee:

And Lucy, we hope you won't write a book!

--0--

Dr. Cloyd:

President Gee mentioned that this is commencement weekend coming up and we are very glad to have you presiding over your first commencement since you have returned as our 14<sup>th</sup> President. Of course it is the day when we get the opportunity to see all of those young men and women walking through the doorway, so it is going to be terrific.

If there is no other business to come before the Board, the meeting is adjourned.

Mr. Wexner:

I wrote a note to my colleague and I said, "This is the best Board meeting I think that I have ever experienced." I think I have experienced 10 years of them. I think it should be noted. When I think about the year 2008 for the University and this meaning the range of outcomes from a Rhodes Scholar to Athletic achievement and the progress that the University has made, whether it is the students, staff, or faculty, I'm really appreciative of the progress of the year. I'm appreciative of the work that the Board is doing and appreciative of Joe and Gordon and your leadership, because we are in a very different place. It is a great way to think about the New Year. Thank you, Gil.

Dr. Cloyd:

Thank you. Excellent statement. Thank you, all, and have a happy holiday season.

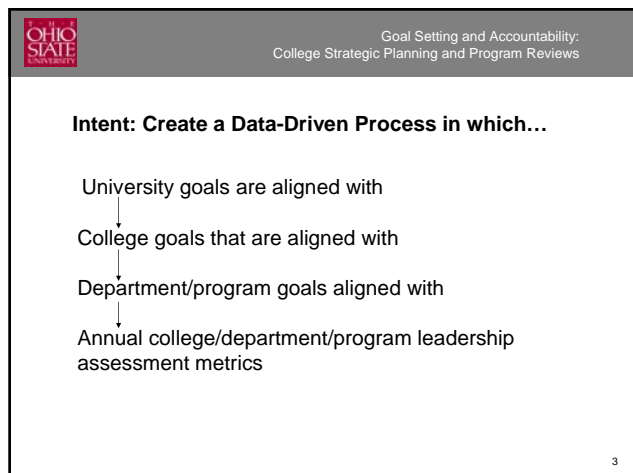
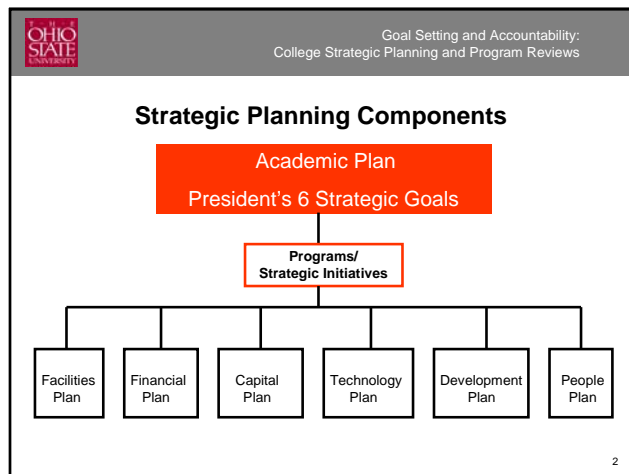
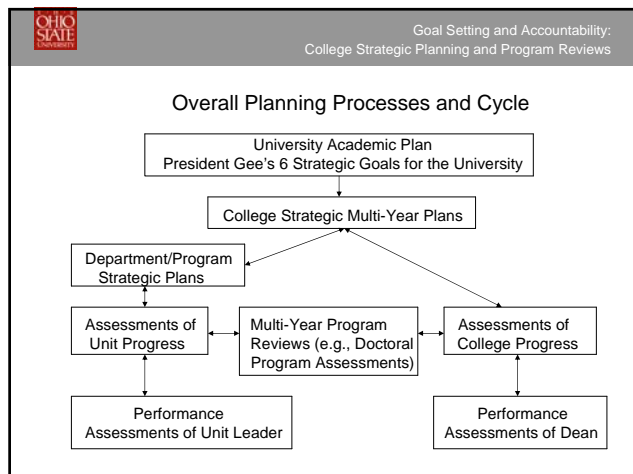
Thereupon the Board adjourned to meet Friday, February 1, 2008, at The Ohio State University, Longaberger Alumni House, Columbus, Ohio.

--0--

Attest:

G. Gilbert Cloyd  
Chairman

David O. Frantz  
Secretary





(APPENDIX XXVII)  
**Proposal to Amend the Code of Student Conduct**  
**Section 3335-23 of the Faculty Rules**

Submitted to: The Ohio State University Board of Trustees

Members of the Board of Trustees:

The Code of Student Conduct is the portion of the Faculty Rules which defines what is and is not acceptable conduct for students at The Ohio State University in the classroom, on campus, and in specified off-campus situations. The Code of Student Conduct also outlines procedures for hearings of alleged misconduct, including selection of the hearing panels and the appeals process.

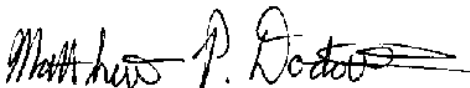
The Council on Student Affairs periodically reviews the Code of Student Conduct and makes recommendations for updates. The Code was last revised in July 2006. This review began in January 2007 with an ad-hoc committee of the Council on Student Affairs, and the recommended changes were approved by the University Senate on November 8, 2007. Both President Gee and Provost Alutto have concurred with the recommendations, and the final step is approval by the Board of Trustees.

The major revisions are: (1) greater specificity in the section on sexual misconduct, (2) inclusions of definitions of "endangering behavior" and "stalking," (3) prohibition of recording images of persons in locations where they would have reasonable expectation of privacy, (4) changing the criterion for determining whether a violation has occurred from "clear and convincing evidence" to "preponderance of evidence," and (5) allowing misconduct motivated by bias against protected groups to be considered an aggravating factor in determining sanctions.

It is asked that you, the members of the Board of Trustees, concur with the decision of the University Senate and accept the changes to the Code of Student Conduct. It is proposed that these changes go into effect on January 3, 2008, the first day of Winter Quarter for this academic year.

Thank you for your consideration,

Matt Dodovich  
Chairman, Council on Student Affairs

A handwritten signature in black ink, appearing to read "Matt Dodovich", with a stylized flourish at the end.

Requested of Board of Trustees: Approve the changes to the *Code of Student Conduct* as proposed by the Council on Student Affairs and agreed to by the University Senate.

## CODE OF STUDENT CONDUCT

### Amended Rules

#### 3335-23-02 Jurisdiction.

The code applies to the on-campus conduct of all students and registered student organizations. The code also applies to the off-campus conduct of students and registered student organizations in direct connection with:

- ~~(A)~~ A professional practice assignment;
- ~~(B)~~(A) Academic course requirements or any credit bearing experiences, such as internships, field trips, study abroad or student teaching;
- ~~(C)~~(B) Any activity supporting pursuit of a degree, such as research at another institution or a professional practice assignment;
- ~~(D)~~(C) Unchanged.
- ~~(E)~~(D) Unchanged.
- ~~(F)~~(E) Unchanged.

The code governs all campuses of the university, however, students attending at regional campuses and the agricultural technical institute are advised to consult their local campus publications for additional information or rules pertaining to those campuses, which may create hearing boards or processes for the campus, consistent with these rules.

The university reserves the right to administer the code and proceed with the hearing process even if the student withdraws from the university, is no longer enrolled in classes, or subsequently fails to meet the definition of a student while a disciplinary matter is pending.

Students continue to be subject to city, state, and federal laws while at the university, and violations of those laws may also constitute violations of the code. In such instances, the university may proceed with university disciplinary action under the code independently of any criminal proceeding involving the same conduct and may impose sanctions for violation of the code even if such criminal proceeding is not yet resolved or is resolved in the student's favor. (B/T 12/7/2007)

#### 3335-23-03 Definitions.

As used in the code, the term "university premises" means all lands, buildings, and facilities owned, leased, or operated by the university. The term "student" means an individual who has paid an acceptance fee, registered for classes, or otherwise entered into any other contractual relationship with the university to take instruction. It further includes persons who are eligible to receive any of the rights and privileges afforded a person who is enrolled at the university, including, but not limited to, those individuals admitted to the university and attending orientation programs. Student status lasts until an individual graduates, is dismissed, or is not in attendance for two complete, consecutive quarters. The term "student" also includes registered student organizations. The term "members of the university community" includes, but is not limited to, students, faculty, staff, and visitors to the campus. The term "complaint" means a written statement, ~~on appropriate university prescribed forms~~, alleging a violation of the code of student conduct or other published rule applicable to students at the university, provided to an authorized university official, per paragraph (A) of rule 3335-23-05 of the Administrative Code. Information submitted by other means will be reviewed and may, at the university's discretion, be acted upon but will not be treated as a formal complaint. The term

## CODE OF STUDENT CONDUCT (contd)

### Amended Rules (contd)

"crime of violence" means the following offenses as stated in division (A)(9) of section 2921.01 of the Revised Code in effect on the date this rule is adopted: aggravated murder; murder; voluntary manslaughter; involuntary manslaughter; felonious assault; aggravated assault; assault; aggravated menacing; menacing by stalking; kidnapping; abduction; extortion; rape; sexual battery; gross sexual imposition; aggravated arson; arson; aggravated robbery; robbery; aggravated burglary; inciting to violence; aggravated riot; inducing panic; domestic violence; intimidation; intimidation of an attorney, victim, or witness in a criminal case; escape; improperly discharging a firearm at or into a habitation or school; burglary; felonious sexual penetration; or conspiracy or attempt to commit or complicity in committing any of the foregoing offenses. Crime of violence also means offenses under the laws of another jurisdiction that are substantially equivalent to the offenses listed in this division. (B/T 12/7/2007)

#### 3335-23-04 Prohibited conduct.

Any student found to have engaged, or attempted to engage, in the following conduct while within the university's jurisdiction, as set forth in rule 3335-23-02 of the Administrative Code, will be subject to disciplinary action by the university. For the purposes of this section, attempt shall be defined as conduct that, if successful, would constitute or result in the prohibited conduct. Any student who abandons an attempt or prevents the prohibited conduct from occurring under circumstances that demonstrate a complete and voluntary renunciation of the prohibited conduct will not be subject to disciplinary action by the university.

(A) Unchanged.

(B) Endangering health or safety.

(1) Endangering behavior: Taking or threatening action that ~~threatens or~~ endangers the safety, physical or mental health, or life of any person, or creates a reasonable fear of such action, whether intentionally or as a result of recklessness or gross negligence.

(2) Stalking: Engaging in a pattern of unwanted conduct directed at another person that threatens or endangers the safety, physical or mental health, or life or property of that person, or creates a reasonable fear of such a threat or action.

(C) Sexual misconduct.

Physical contact or other non-physical conduct of a sexual nature in the absence of clear, knowing and voluntary consent-, including but not limited to:

(1) Non-consensual sexual intercourse, defined as any sexual penetration (anal, oral, or vaginal), however slight, with any body part or object, by any person upon any person without consent.

(2) Non-consensual sexual contact, defined as any intentional sexual touching, with any body part or object, by any person upon any person without consent.

(3) Sexual exploitation, defined as taking non-consensual, unjust or abusive sexual advantage of another. Examples include, but are not limited to, prostituting another student, non-consensual video or audio-taping of sexual activity, going beyond the boundaries of consent (such as knowingly allowing another to

## CODE OF STUDENT CONDUCT (contd)

### Amended Rules (contd)

surreptitiously watch otherwise consensual sexual activity), engaging in non-consensual voyeurism, and knowingly transmitting or exposing an STD or HIV to another student without the knowledge of the student.

(4) Sexual harassment, as defined in applicable university policy.

(5) Indecent exposure, defined as the exposure of the private or intimate parts of the body, in a lewd manner, in public or in private premises, when the accused may be readily observed.

For the purposes of this rule, consent shall be defined as the act of knowingly and voluntarily agreeing verbally or non-verbally to engage in sexual activity. An individual cannot consent who is obviously ~~incapacitated~~ substantially impaired by any drug or intoxicant; or who has been purposely compelled by force, threat of force, or deception; or who is unaware that the act is being committed; or whose ability to consent or resist is obviously impaired because of a mental or physical condition; or who is coerced by supervisory or disciplinary authority.

(D) Unchanged.

(E) Dangerous weapons or devices.

Use, storage, or possession of dangerous weapons or devices including, but not limited to, firearms ~~and , ammunition or~~ fireworks, unless authorized by an appropriate university official or permitted by a university policy, even if otherwise permitted by law.

(F) Dishonest conduct.

Dishonest conduct, including, but not limited to, knowingly reporting a false emergency; knowingly making false accusation of misconduct; misuse or falsification of university documents by actions such as forgery, alteration, or improper transfer; submission to a university official of information known by the ~~submitter~~ submitter to be false.

(G) through (M) unchanged.

(N) Judicial system abuse.

Abuse of any university judicial system, including but not limited to:

(1) Failure to obey the summons or directives of a judicial body or university official;

(2) through (9) unchanged.

(O) and (P) unchanged.

(Q) Recording of images without knowledge.

Using electronic or other means to make a video or photographic record of any person in a location where there is a reasonable expectation of privacy without the person's prior knowledge, when such a recording is likely to cause injury, distress, or damage to reputation. This includes, but is not limited to, taking video or photographic images in shower/locker rooms, residence hall rooms, and restrooms. The storing, sharing, and/or distributing of such unauthorized records by



## CODE OF STUDENT CONDUCT (contd)

### Amended Rules (contd)

any means is also prohibited. (B/T 7/11/2003, B/T 7/7/2006, B/T 12/7/2007)

#### 3335-23-05 Initiation and investigation of code violations.

##### (A) Initiation.

Person(s) witnessing or experiencing what they believe to be a possible code violation should provide an authorized university official with the information. Information and/or complaints about possible code violations occurring in residence halls should be provided to the residence hall director. Information and/or complaints about possible non-residence hall related code violations should be provided to the director of student judicial affairs, or chief judicial officer for the regional campuses. Information and/or complaints regarding academic misconduct should be referred to the coordinator of the committee on academic misconduct. In cases where the alleged activity may involve a violation of criminal law in addition to a violation of the code, information and/or complaints should be provided to the Ohio state university police or other appropriate law enforcement agency. The university will review all information and/or complaints received and may conduct a preliminary investigation of the alleged violation.

##### (B) Investigation.

The Ohio state university police or other appropriate law enforcement agency shall have primary responsibility for the investigation of acts that involve suspected violation of federal, state, local laws or applicable university policies. Residence hall directors, assistant hall directors, the director of student judicial affairs, the chief judicial officer for the regional campuses, and other designated university personnel are authorized to investigate alleged violations other than those involving academic misconduct. The coordinator of the committee on academic misconduct is authorized to investigate allegations involving academic misconduct. During the investigation, the student allegedly involved in misconduct may be sent a letter describing the alleged violation, requesting the student to make an appointment to discuss the matter, and specifying a date by which the appointment must be made. Any person believed to have information relevant to an investigation may also be contacted and requested to make an appointment to discuss the matter. Failure to comply with such a request to make and keep such an appointment may result in a disciplinary hold being placed on a student's registration and records and/or the initiation of charges for judicial system abuse. Upon completion of an investigation, the investigator will decide upon an appropriate course of action, which may include, but is not limited to, taking no further action, deferring further action with or without conditions, or initiating charges with the appropriate university judicial body. (B/T 12/7/2007)

#### 3335-23-06 Filing of complaint and initiation of charges.

A written complaint alleging a violation of the code of student conduct must be filed with the university as soon as practicable following the discovery of the alleged violation. Absent extraordinary circumstances, the written complaint must be filed within six months of the identification by for cases of non-academic misconduct (paragraphs (B) through (Q) of rule 3335-23-04 of the Administrative Code), and one month for academic misconduct (paragraph (A) of rule 3335-23-04 of the Administrative Code), from the date upon which a university official

## CODE OF STUDENT CONDUCT (contd)

### Amended Rules (contd)

~~becomes aware of the student alleged violation and identifies the student(s) who allegedly committing~~ committed the violation. Absent extraordinary circumstances, the university must initiate charges, if any, within one year of the filing of the complaint. (B/T 12/7/2007)

#### 3335-23-07 Notice of charges.

Students shall be notified of university charges in writing, unless a more effective form of notification is deemed appropriate. Charges may be presented in person, by placement in a student's residence hall mailbox, by email to the accused student's official university email address, which will direct the student to view the notice on a secure website, or by mail to the accused student's local or permanent address on file in the office of the university registrar. All students are required to maintain an accurate and current local and permanent address with the university registrar.

Following notification of charges, students are strongly encouraged to and shall be afforded the opportunity to meet with a university official for the purpose of explaining the university judicial process and discussion of the charges. Failure of the accused student to respond to the initiation of charges or schedule a preliminary meeting shall in no way prevent the university from scheduling and conducting a hearing in the absence of the accused student. (B/T 12/7/2007)

#### 3335-23-08 Administrative decision.

In all cases, a student charged with one or more violations of the student code has the right to a hearing. However, in a case where a charged student admits such violations in writing, the student may request in writing to have a decision as to appropriate action made administratively by a hearing officer rather than have the charges referred to a hearing officer, panel or ~~commission board~~ for a hearing. In such situations, the student waives the right to a hearing and the related procedural guarantees provided by a hearing officer, panel or ~~commission board~~ hearing. Administrative decisions involving graduate students are to be made in consultation with the graduate school. Following an administrative decision, the student retains the right to request an appeal of the original decision, but may do so only upon the ground that the sanction is grossly disproportionate to the offense committed. (B/T 7/7/2006, B/T 12/7/2007)

#### 3335-23-09 Notice of hearing.

If a hearing is to be held, written notification will be provided. The notice may be hand delivered, placed into a student's residence hall mailbox, sent by email to the accused student's official university email address, which will direct the student to view the notice on a secure website, or mailed to the last known address of the student, either by certified mail or first class mail, no fewer than ten calendar days prior to the hearing. Unless already provided to the student, the notification will include the charges, date, time, and location of the hearing, the designated hearing officer or panel, a statement of the student's rights, and information on the hearing procedures. The accused student may request a postponement for reasonable cause or a hearing separate from other accused persons. A request for a postponement for reasonable cause must be made in writing, include supporting rationale and be received by the person sending the hearing notification at least two business days before the scheduled hearing. (B/T 12/7/2007)

#### 3335-23-10 Hearing procedures.

Although the procedural requirements are not as formal as those existing in criminal or civil courts of law, to ensure fairness, the following procedures will

## CODE OF STUDENT CONDUCT (contd)

### Amended Rules (contd)

apply and, unless already provided to the student, be included within the hearing notice:

(A) and (B) unchanged.

(C) The accused may submit a written statement, may invite relevant fact witnesses to attend, may invite character witnesses to submit written statements, may as approved in advance by the hearing officer invite character witnesses to testify in person, may ask questions of witnesses called by others, and will be notified of potential witnesses to be called. The accused must also submit a list of potential witnesses, and identify those who are character witnesses only, to the hearing officer at least two business days prior to the hearing. The university may present witnesses as well as question those presented by the accused.

(D) Written statements may be used for a fact witness (i.e., not a character witness) if, for good reason, a fact witness cannot attend the hearing. ~~Written statements must be notarized, absent other clear evidence of authenticity.~~

(E) Unchanged.

(F) Students are entitled to a presumption of innocence. Therefore, a student will not be found in violation unless: a preponderance of evidence supports the charge(s).

~~(1) In cases of academic misconduct (paragraph (A) of rule 3335-23-04 of the Administrative Code) a preponderance of the evidence supports the charge(s).~~

~~(2) In all other cases of prohibited behavior (paragraphs (B) through (D) of rule 3335-23-04 of the Administrative Code) clear and convincing evidence supports the charge(s).~~

~~(3) In the event of a tie, the panel will continue to deliberate. If after the panel determines that exhaustive deliberations have occurred and a majority decision is not reached the student will be found not in violation.~~

(G) In cases where prompt review is essential (e.g., when graduation or the end of the academic year is imminent) the accused may be offered the option of an expedited administrative review consisting of an administrative decision or administrative hearing. The accused student may decline such expedited review without the expectation that the process can be completed on an expedited timeline. (B/T 7/11/2003, B/T 12/7/2007)

### 3335-23-13 Hearing bodies.

In addition to the committee on academic misconduct, ~~residence hall living units commissions~~ student conduct boards for university housing, and the university judicial panel, the director of student judicial affairs, hearing officers within the office of student judicial affairs, the coordinator of the committee on academic misconduct, and ~~residence hall~~ university housing professional staff are to be considered as official university hearing officers, and may hear cases of alleged violations of the code affording accused students the same procedural guarantees as provided in hearings by a panel, committee, or ~~commission board~~. Absent special circumstances, students will be afforded the right to choose an administrative or panel hearing. When necessary to ensure a fair and just

## CODE OF STUDENT CONDUCT (contd)

### Amended Rules (contd)

process, the hearing officer may determine the appropriate hearing venue. The accused student has the right to accept responsibility for the charges, which will result in an administrative decision, or choose to have a hearing. Students will generally be afforded the right to choose an administrative or panel hearing, except under special circumstances where, in order to ensure a fair and just process, the hearing officer may determine the appropriate hearing venue. (B/T 12/7/2007)

#### 3335-23-15 ~~Residence hall living unit commissions~~ Student conduct boards for university housing.

~~The commissions boards may only hear only those cases, referred by a residence hall hearing officer, that involve code violations that occur within the residence halls university housing, whether committed by residents or nonresidents. The commissions boards are composed of students from each living unit in university housing, and may initiate any sanction with the exception of suspension or dismissal. If it appears during the hearing, to the commission board or to the commission board advisor, that the violation may be serious enough to warrant suspension or dismissal, the commission board will adjourn and refer the case back to the hearing officer for referral to the office of student judicial affairs. (B/T 12/7/2007)~~

#### 3335-23-16 University judicial panel.

The university judicial panel is responsible for adjudicating allegations of non-academic misconduct referred by the director of student judicial affairs, except for cases involving violations of professional college codes. The panel consists of:

- (A) Unchanged.
- (B) Twelve undergraduate student members, appointed by the ~~vice president of the~~ undergraduate student government;
- (C) Six graduate student members, appointed by the ~~president of the~~ council of graduate students;
- (D) Two professional student members, appointed by the ~~president of the~~ inter-professional council; and
- (E) and (F) unchanged.

All student appointments shall be for ~~one-year~~ two-year terms, staggered, beginning ~~with~~ in the autumn quarter. Six of the undergraduate student members, three of the graduate student members, and one of the professional student members shall be appointed in odd-numbered years, with the remainder appointed in even-numbered years. To be eligible for appointment, a student must possess a minimum 2.5 cumulative grade point average and be under no current disciplinary sanction from the university. The director of student judicial affairs may remove university judicial panel members for cause, including but not limited to, not attending training, repeated absences, violating the code of student conduct or other applicable laws or policies, or not responding to repeated attempts at communication. Notification shall be made in writing to the university judicial panel member prior to removal, whenever possible. (B/T 12/7/2007)

#### 3335-23-17 General guidelines for sanctions.

Sanctions should be commensurate with the violation(s) found to have occurred. In determining the sanction(s) to be imposed, the hearing officer or panel should take into account any mitigating circumstances and any aggravating factors including, but not limited to, any provocation by the subject of the conduct that

## CODE OF STUDENT CONDUCT (contd)

### Amended Rules (contd)

constituted the violation, any past misconduct by the student, any failure of the student to comply fully with previous sanctions, the actual and potential harm caused by the violation, the degree of intent and motivation of the student in committing the violation, and the severity and pervasiveness of the conduct that constituted the violation. Misconduct, other than constitutionally protected expression, motivated by bias based on age, color, disability, gender identity or expression, national origin, race, religion, sex, sexual orientation, or veteran status may be considered an aggravating factor for sanctioning. Impairment resulting from voluntary use of alcohol or drugs (i.e., other than medically necessary) will also be considered an aggravating, and not a mitigating, factor. In determining the sanctions to be imposed on graduate students who have violated the code, the hearing officer or panel should be guided by the "Graduate Student Code of Research and Scholarly Conduct." One or more of the following courses of action may be taken when a student has been found to have violated the code of student conduct.

(A) Unchanged.

(B) Disciplinary sanctions.

(1) Unchanged.

~~(2) Conduct probation.~~

~~This probationary condition is for a specified period of time but without loss of privileges. Further violation of university policies during the probationary period will be viewed not only as the act itself, but also as a violation of the probation, which could result in disciplinary probation, suspension or dismissal.~~

~~(3)~~(2) Unchanged.

~~(4)~~(3) Unchanged.

~~(5)~~(4) Unchanged.

(C) through (E) unchanged. (B/T 12/7/2007)

3335-23-18 Appellate process.

(A) Unchanged.

(B) Grounds for appeal.

An appeal may be based only upon one or more of the following grounds:

(1) and (2) unchanged.

(3) Findings of facts not supported by:

(a) ~~A a preponderance of evidence in cases of academic misconduct (paragraph (A) of rule 3335-23-04 of the Administrative Code).~~

(b) ~~Clear and convincing evidence in all other instances of prohibited behavior (paragraphs (B) through (O) of rule 3335-23-04 of the Administrative Code).~~

(4) and (5) unchanged.

(C) through (E) unchanged. (B/T 12/7/2007)



THE OHIO STATE UNIVERSITY  
OFFICE OF UNIVERSITY DEVELOPMENT

**Gift Receipts and Net Commitments  
as of October 31, 2007**

	<u>July 2007 - October 2007</u>	<u>July 2006 - October 2006</u>	<u>% Change</u>
<b>Gift Receipts</b>			
Cash & Securities	\$ 33,334,161	\$ 24,128,541	38%
Gifts-in-Kind	1,376,026	699,154	97%
Irrevocable (Present Value)	83,879 **	237,421 **	-65%
Bequests Distributed	<u>1,492,897</u>	<u>4,835,954</u>	-69%
<b>Total Gift Receipts</b>	<b>\$ 36,286,963</b>	<b>\$ 34,092,315</b>	6%
<b>Net New Pledges</b>	<b>\$ 6,015,682</b>	<b>\$ 10,173,107</b>	-41%
<b>Net New Revocable Planned Gifts</b>			
Bequest Expectancies (Face Value)	\$ 6,422,337	\$ 5,345,000	20%
Trust Expectancies (Face Value)	<u>125,000</u>	<u>10,025,000</u>	-99%
<b>Total Net Planned Gifts</b>	<b>\$ 6,547,337</b>	<b>\$ 15,370,000</b>	-57%
<b>Total</b>	<b>\$ 48,849,982</b>	<b>\$ 59,635,422</b>	-18%



THE OHIO STATE UNIVERSITY  
OFFICE OF UNIVERSITY DEVELOPMENT

**Donor Counts and Gift Receipts by Donor Type  
as of October 31, 2007**

	<u>Donors</u> <u>July through October</u>			<u>Dollars</u> <u>July through October</u>			
	<u>FY2008</u>	<u>FY2007</u>	<u>% Change</u>	<u>FY2008</u>	<u>FY2007</u>	<u>% Change</u>	
<b>Individuals:</b>							
Alumni (Current Giving)	22,595	21,128	7%	\$ 6,921,286	\$ 5,272,511	31%	A
Alumni (Irrevocable Trusts & Annuities)	2	8	-75%	37,610	197,333	-81%	B
Alumni (From Bequests)	24	21	14%	963,648	3,040,173	-68%	C
<b>Alumni Total</b>	<b>22,621</b>	<b>21,157</b>	<b>7%</b>	<b>\$ 7,922,543</b>	<b>\$ 8,510,017</b>	<b>-7%</b>	
Non-Alumni (Current Giving)	15,164	14,212	7%	\$ 4,567,531	\$ 5,345,397	-15%	D
Non-Alumni (Irrevocable Trusts & Annuities)	1	3	-67%	46,269	40,087	15%	E
Non-Alumni (From Bequests)	16	15	7%	529,250	1,795,781	-71%	F
<b>Non-Alumni Total</b>	<b>15,181</b>	<b>14,230</b>	<b>7%</b>	<b>\$ 5,143,050</b>	<b>\$ 7,181,265</b>	<b>-28%</b>	
<b>Individual Total</b>	<b>37,802</b>	<b>35,387</b>	<b>7%</b>	<b>\$ 13,065,593</b>	<b>\$ 15,691,282</b>	<b>-17%</b>	
<b>Corporations/Corp Foundations:</b>	<b>1,519</b>	<b>1,257</b>	<b>21%</b>	<b>\$ 9,330,524</b>	<b>\$ 10,520,805</b>	<b>-11%</b>	G
<b>Private Foundations:</b>	<b>233</b>	<b>203</b>	<b>15%</b>	<b>\$ 12,442,924</b>	<b>\$ 6,164,144</b>	<b>102%</b>	H
<b>Associations &amp; Other Organizations:</b>	<b>464</b>	<b>510</b>	<b>-9%</b>	<b>\$ 1,447,922</b>	<b>\$ 1,716,084</b>	<b>-16%</b>	I
<b>Grand Total</b>	<b>40,018</b>	<b>37,357</b>	<b>7%</b>	<b>\$ 36,286,963</b>	<b>\$ 34,092,315</b>	<b>6%</b>	



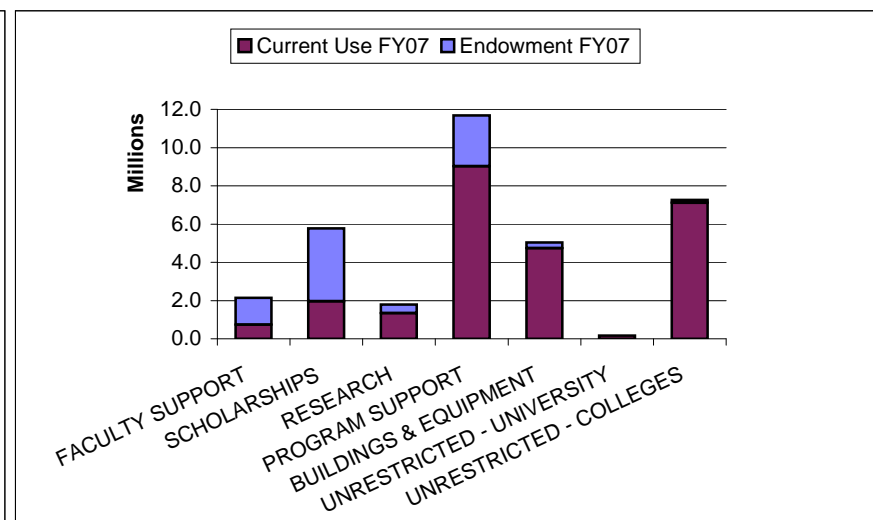
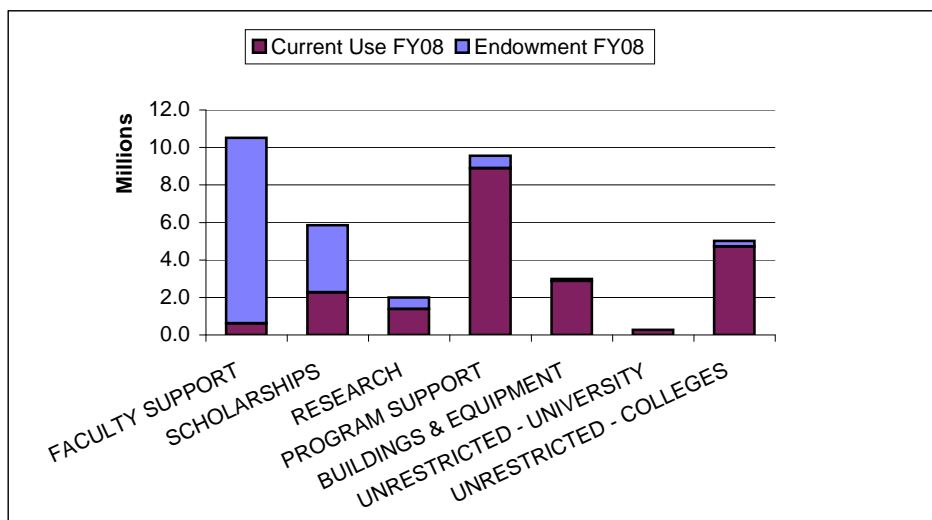
- A** Individual Alumni Current gifts are up 31% due to  
insurance death payoff for Ralph Woodley in FY07 that was not reported in FY07 totals and  
more gifts of \$100K+ in FY2008 as compared to FY2007
- B** Individual Alumni Irrevocable gifts are down 81% due to  
overall activity in 2006 as compared to 2007
- C** Individual Alumni bequest receipts are down 68% due to  
\$1.7M gift from Peter Chichilo in Sept 2006 to General Scholarships
- D** Individual Non-Alumni Current gifts are down 15% due to  
\$975K gift from Sarah Soter in Oct 2006 to Medicine
- E** Individual Non-Alumni Irrevocable gifts are up 15% due to  
\$46K gift from Sammie Carter in Oct 2007 to Agriculture
- F** Individual Non-Alumni bequest receipts are down 71% due to  
\$1M gift from Mary Vandeventer in Sept 2006 to Biomedical Research
- G** Corporations/Corp Foundations gifts are down by 11% due to  
\$1.5M gift from TRC, Inc. in Oct 2006 to TRC Endowment
- H** Private Fnd gifts are up 102% due to  
\$7.4 gifts from the Columbus Foundation in Oct 2007 to Academic Affairs
- I** Associations & Other Orgs gifts are down 16% due to  
\$590K gift from the Engle Trust in Oct 2006 to Scholarships



THE OHIO STATE UNIVERSITY  
OFFICE OF UNIVERSITY DEVELOPMENT

**Gift Receipts by Purpose  
as of October 31, 2007**

	July 2007 - October 2007			July 2006 - October 2006			% Change
	Current Use	Endowment	Total	Current Use	Endowment	Total	
<b>FACULTY SUPPORT</b>	\$ 616,110	\$ 9,893,844	<b>\$ 10,509,954</b>	\$ 735,633	\$ 1,398,893	<b>\$ 2,134,526</b>	392%
<b>SCHOLARSHIPS</b>	2,264,051	3,592,801	<b>5,856,852</b>	1,955,379	3,818,736	<b>\$ 5,774,115</b>	1%
<b>RESEARCH</b>	1,382,167	621,948	<b>2,004,115</b>	1,340,050	454,032	<b>\$ 1,794,083</b>	12%
<b>PROGRAM SUPPORT</b>	8,893,322	661,063	<b>9,554,386</b>	9,019,530	2,656,121	<b>\$ 11,675,652</b>	-18%
<b>BUILDINGS &amp; EQUIPMENT</b>	2,893,187	99,974	<b>2,993,162</b>	4,732,211	301,480	<b>\$ 5,033,691</b>	-41%
<b>UNRESTRICTED - UNIVERSITY</b>	269,135	-	<b>269,135</b>	170,311	-	<b>\$ 170,311</b>	58%
<b>UNRESTRICTED - COLLEGES</b>	4,713,511	301,969	<b>5,015,480</b>	7,104,701	166,170	<b>\$ 7,270,871</b>	-31%
	<b>\$ 21,031,484</b>	<b>\$ 15,171,599</b>	<b>\$ 36,203,084</b>	<b>\$ 25,057,815</b>	<b>\$ 8,795,434</b>	<b>\$ 33,853,249</b>	7%



\* Purpose Report Total does not include Irrevocable Deferred gifts, so the total will be lower than the total on the Donor Type Report



## Academic Core North Facilities Plan

OSU-080403

**Requesting Agency(s):** ACADEMIC AFFAIRS, OFFICE OF  
**Requesting Agency(s):** BUSINESS & FINANCE, OFFICE OF  
**Requesting Agency(s):** FACILITIES OPERATIONS AND DEVELOPMENT  
**Location(s):** Various Locations, Columbus

ASF/0 GSF Age:

### Description:

This project will develop a facilities plan to provide a roadmap for new construction, renovations, and replacements of facilities in the Academic Core North that will promote collaboration while facilitating the efficient use of University resources.

### Project Information:

The aim of the study is to inform the University specifically on which facilities in the Academic Core North should be replaced, renovated and/or repurposed; establish the long-term programmatic space needs of the units in the Academic Core North; identify needed new facilities; and provide recommendations for improving efficiency.

**How does this project advance the Academic Plan?** This project advances the Academic Plan by completing a study that will inform the University on how to better meet facilities needs in the Academic Core North area.

**Outstanding Funding Issues:** None

**Timing Issues:** None

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

Source of Funds:	Amount
HB699 Line Item Appropriation	\$1,200,000.00
<b>Total:</b>	\$1,200,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$1,200,000.00	12/07/2007		
Feasibility Study Start		03/01/2008		
Feasibility Study Completion		06/01/2009		

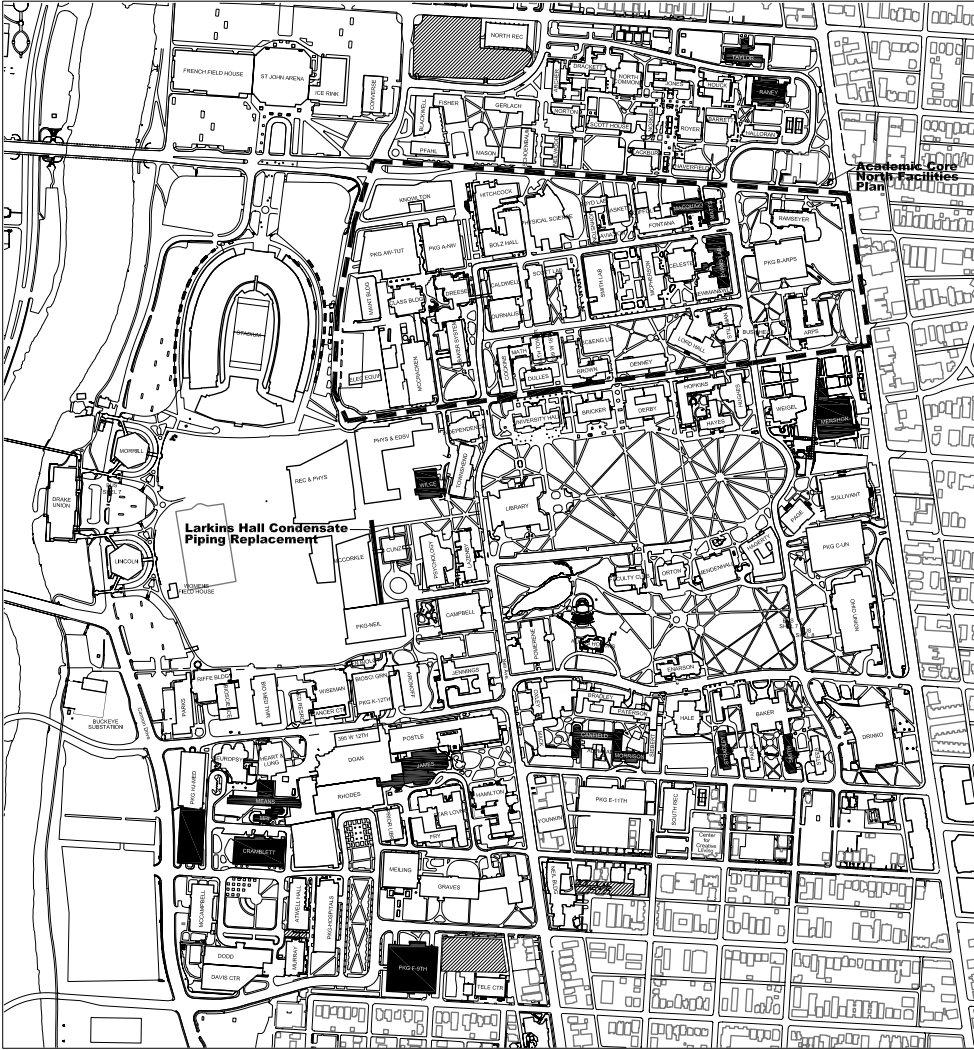
### Project Team:

Project Manager: Laura Shinn (shinn.15@osu.edu)

Project Coordinator: Melissa Griffin (griffin.333@osu.edu)

# Core and Medical Campus Projects

- 9th Avenue Parking Garage Expansion (MCFP)
- Academic Core North Facilities Plan
- Canfield Hall - South Elevator Upgrade
- Canfield Hall Bathroom Renovation
- Cramblett Hall Renovation (MCFP)
- Demolition and Decommissioning of Med Center Facilities (MCFP)
- Evans Lab 4th Floor Lab Renovations
- James Cancer Hospital - Room 064 to 024 Relocate CT Scanner
- Lane Avenue Parking Garage
- Larkins Hall - Condensate Piping Replacement
- MacQuigg Lab Elevator Upgrade
- Medical Tank Farm and Fuel Oil Storage (MCFP)
- Mershon Auditorium Air Handling Unit and Heating Renovation
- Morrison Tower - Fan Coil Unit Replacement
- Raney Commons - Roof Replacement
- South High Rise Bathroom and AC
- Student Academic Services Building
- Taylor Tower - Elevator Upgrade
- Watts Hall Elevator Upgrade
- William H. Hall Housing Complex Expansion



Office of Business and Finance / Board of Trustees Meeting

December 7, 2007





Agricultural Admin Building Window Replacement

OSU-071525

Requesting Agency(s): FACILITIES OPERATIONS AND DEVELOPMENT

Location(s): Agricultural Administration Bldg

59,854 ASF/100,196 GSF Age: 1956

Description:  
This project will replace 377 single-glazed windows with double-glazed thermal-break windows.

Project Information:  
The windows are being replaced because the building envelope is leaking air and water and also to improve the energy efficiency of the building.  
How does this project advance the Academic Plan? This project advances the Academic Plan by improving the teaching and learning environment.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Deferred Maintenance: This project will address \$367,800 in deferred maintenance.

Deferred Renewal: None

Source of Funds:	Amount
HB699 Columbus Basic Renovation	\$1,176,769.00
Total:	\$1,176,769.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$1,176,769.00	12/07/2007		
DESIGN				
Arch/Engr Contract		04/14/2008		
Schematic Design Approval		05/14/2008		
Design Dev Document Approval		07/27/2008		
Construction Document Approval		11/10/2008		
BIDDING				
Bid Opening		01/02/2009		
CONSTRUCTION				
Construction Start		03/03/2009		
Completion		07/01/2009		

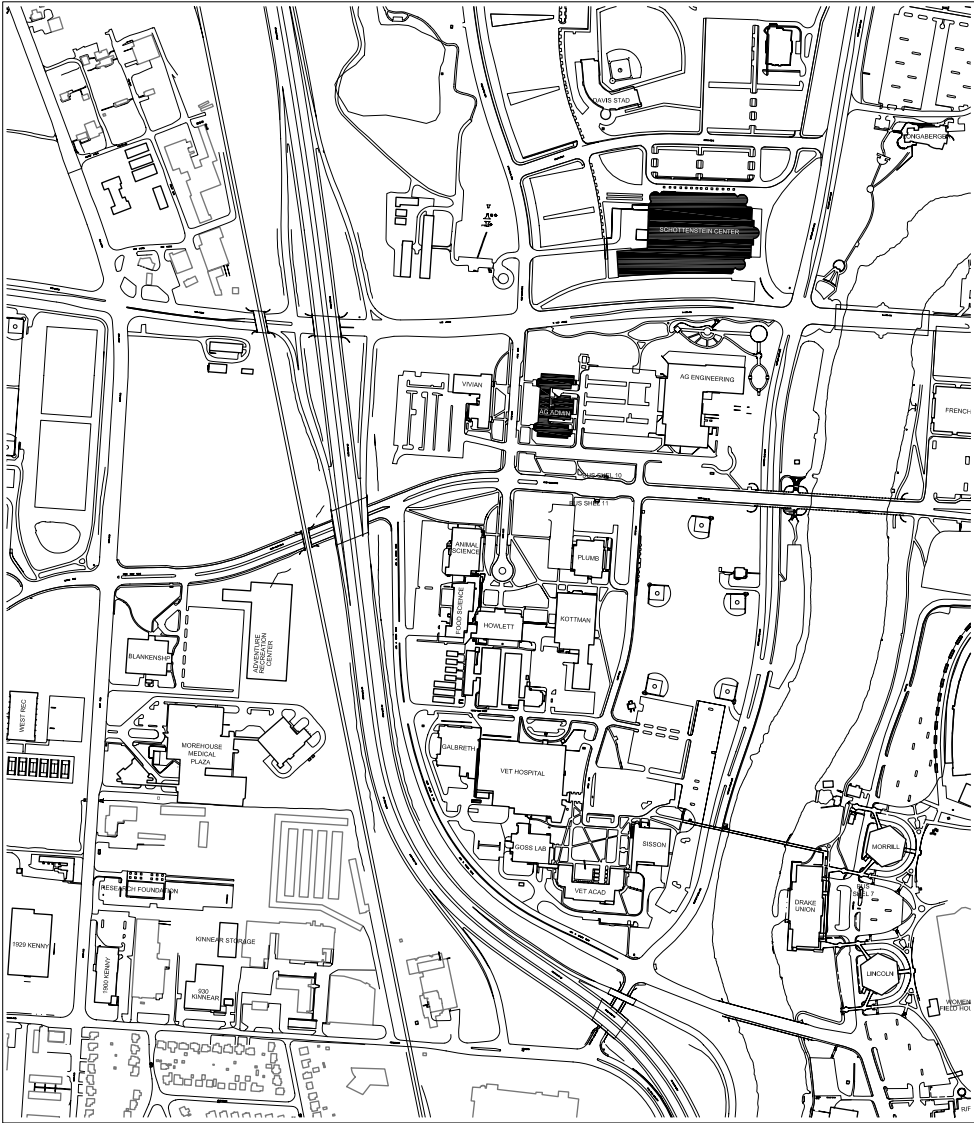
Project Team:

Project Manager: Brendan Flaherty

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)

West and Midwest Campus Projects

- Agricultural Administration Building Window Replacement
- Schottenstein Center -- Basketball Practice Facility



Office of Business and Finance / Board of Trustees Meeting

December 7, 2007





Canfield Hall - South Elevator Upgrade  
OSU-080328

Requesting Agency(s): STUDENT AFFAIRS FACILITIES

Location(s): Canfield Hall, James H. 36,012 ASF/61,020 GSF Age: 1940

Description:  
This project will upgrade the existing south elevator system in the building.

Project Information:  
The elevator is original to the building. The upgrade will address code issues and system components. The project will be funded with 2009 bonds.  
How does this project advance the Academic Plan? This project advances the Academic Plan by improving the on campus student living environment and improving facility safety by upgrading the elevators.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Deferred Maintenance: None

Deferred Renewal: None

Source of Funds:	Amount
Univ. Bond Proceeds	\$360,000.00
Total:	\$360,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$360,000.00	12/07/2007		
DESIGN				
Schematic Design Approval		02/28/2008		
Design Dev Document Approval		03/31/2008		
Construction Document Approval		04/30/2008		
BIDDING				
Bidding Approved BoT	\$360,000.00	12/07/2007		
Bid Opening		06/16/2008		
CONSTRUCTION				
Construction Start		12/01/2008		
Completion		05/31/2009		

Project Team:  
Project Manager: Mark Stelzer (stelzer.28@osu.edu) Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



## Cramblett Hall Renovation (MCFP)

OSU-080388

**Requesting Agency(s):** UNIVERSITY HOSPITALS

**Location(s):** Cramblett Hall, Henry (Hosp Clinic)

102,576 ASF/225,849 GSF Age: 1974

**Description:**

This project will renovate floors three and four in Cramblett Hall to create space for Means Hall occupants who will be relocated so the building can be demolished.

**Project Information:**

**How does this project advance the Academic Plan?** This project enables the Medical Center Facilities Master Plan, which will support continued clinical, teaching and research missions at Ohio State University.

**Outstanding Funding Issues:** None

**Timing Issues:** None

**"Ripple effects" of the project:** This project creates new space for the occupants of Means Hall, enabling the demolition of Means Hall.

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

**Source of Funds:**

**Amount**

Univ. Bond Proceeds

\$600,000.00

**Total:**

\$600,000.00

**Schedule:**

**BoT Approved Amt.**

**Projected**

**Revised**

**Actual**

**PLANNING**

Arch/Engr Approved by BoT

\$600,000.00

12/07/2007

**BIDDING**

Bidding Approved BoT

\$600,000.00

12/07/2007

Bid Opening

08/01/2008

**CONSTRUCTION**

Construction Start

10/01/2008

Completion

01/31/2009

**Project Team:**

Project Manager: Paul Lenz (lenz.3@osu.edu)

Project Coordinator: Curt Handschug (handschug.1@osu.edu)





Demolition and Decommissioning of Med Center Facilities (MCFP)

OSU-080387

Requesting Agency(s): UNIVERSITY HOSPITALS

Location(s): Means Hall, William J. 61,990 ASF/115,277 GSF Age: 1951  
Location(s): Parking Garage H&J (S&N Medical) 418,833 ASF/445,943 GSF Age: 1971  
Location(s): Magnetic Resonance Imaging Facility 4,187 ASF/6,333 GSF Age: 1984

Description:  
This project will decommission and demolish Means Hall, the MRI Facility and the South Cannon Garage (H). Demolition will be accomplished in phases.

Project Information:  
Infrastructure - electric, water, storm, sanitary, and security relocation - must be completed before the buildings are demolished.  
How does this project advance the Academic Plan? This project enables the Medical Center Facilities Master Plan, which will support continued clinical, teaching and research missions at Ohio State University.

Outstanding Funding Issues: None  
Timing Issues: This project cannot begin until the Infrastructure and Roadways (MCFP) project is complete.  
"Ripple effects" of the project: The demolitions will clear the site for the Hospital expansion.  
Special limitations/risks: None  
Deferred Maintenance: None  
Deferred Renewal: None

Source of Funds:	Amount
Univ. Bond Proceeds	\$5,000,000.00
Total:	\$5,000,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$5,000,000.00	12/07/2007		
BIDDING				
Bid Opening		11/01/2009		
CONSTRUCTION				
Construction Start		01/01/2010		
Completion		05/31/2010		

Project Team:  
Project Manager: Paul Lenz (lenz.3@osu.edu) Project Coordinator: Curt Handschug (handschug.1@osu.edu)



Evans Lab 4th Floor Lab Renovations

OSU-071520

Requesting Agency(s): MATHEMATICAL & PHYSICAL SCIENCES ADMIN

Requesting Agency(s): CHEMISTRY

Location(s): Evans Laboratory, William L.64,355 ASF/116,676 GSF Age: 1960

Description:

This project will renovate approximately 2,600 ASF of laboratory space on the 4th floor of Evans Laboratory.

Project Information:

Renovations include relocation and replacement of fume hoods; improved laboratory layout; creation of student office space; new laboratory and office casework; and finish improvements.

How does this project advance the Academic Plan? This project advances the Academic Plan by improving the teaching and learning environment.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Deferred Maintenance: None

Deferred Renewal: None

Source of Funds:	Amount
HB699 Columbus Basic Renovation	\$1,053,759.00
Total:	\$1,053,759.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$1,053,759.00	12/07/2007		
DESIGN				
Schematic Design Approval		08/15/2008		
Design Dev Document Approval		01/12/2009		
Construction Document Approval		04/02/2009		
BIDDING				
Bid Opening		05/14/2009		
CONSTRUCTION				
Construction Start		08/26/2009		
Completion		12/24/2009		

Project Team:

Project Manager: Bart RidgillProject Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



Fawcett Tower - Roof Replacement  
OSU-080396

**Requesting Agency(s):** STUDENT AFFAIRS, OFFICE OF  
**Location(s):** Fawcett Center For Tomorrow, Novice 109,856 ASF/178,207 GSF **Age:** 1970

**Description:**  
This project will replace the roof of the tower portion of the Fawcett Center.

**Project Information:**  
This is the second phase of the planned replacement of the entire roof of the Fawcett Center.  
**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving campus facilities and infrastructure.

**Outstanding Funding Issues:** None

**Timing Issues:** None

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** This project addresses approximately \$80,000 in deferred maintenance.

**Deferred Renewal:** None

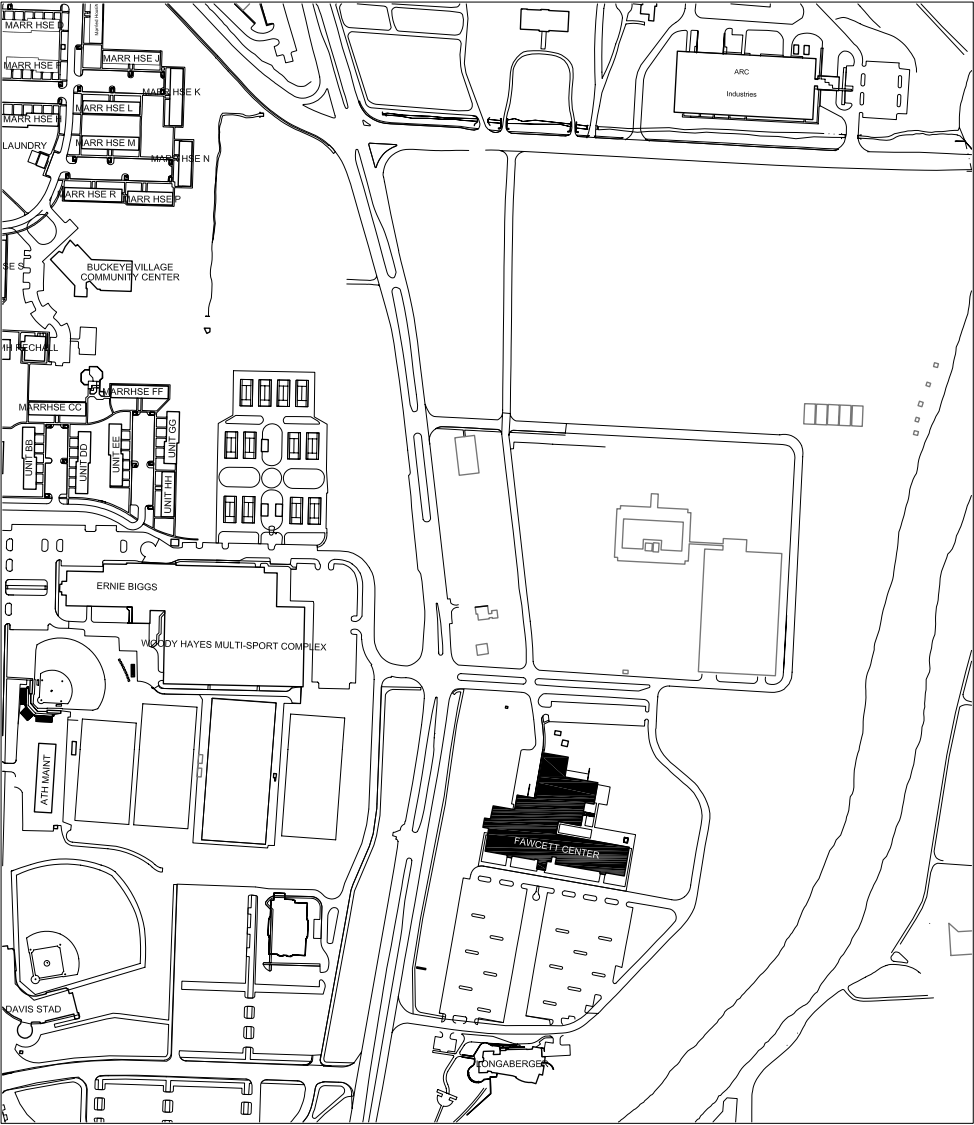
Source of Funds:	Amount
2007 Bond Issue	\$510,000.00
<b>Total:</b>	\$510,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$510,000.00	12/07/2007		
DESIGN				
Construction Document Approval		01/05/2008		
BIDDING				
Bidding Approved BoT	\$510,000.00	12/07/2007		
Bid Opening		02/26/2008		
CONSTRUCTION				
Construction Start		04/27/2008		
Completion		07/26/2008		

**Project Team:**  
Project Manager: Mark Stelzer (stelzer.28@osu.edu) Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)

Midwest Campus Projects

- Fawcett Tower - Roof Replacement



Office of Business and Finance / Board of Trustees Meeting

December 7, 2007





# James Cancer Hospital - Room 064 to 024 Relocate CT Scanner

OSU-072321

**Requesting Agency(s):** CANCER HOSPITAL & RESEARCH INSTITUTE

**Location(s):** James Cancer Hosp & Solove Res Inst

116,384 ASF/265,423 GSF Age: 1990

**Description:**

This project will renovate room 024 to accomodate new equipment, and then relocate and install the existing CT Scanner from room 064.

**Project Information:**

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving teaching and research facilities in the Medical Center as well as patient care facilities.

**Outstanding Funding Issues:** None

**Timing Issues:** None

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

**Source of Funds:**

	Amount
Auxiliaries-OSUMC Health Systems	\$221,102.00

<b>Total:</b>	\$221,102.00
---------------	--------------

**Schedule:**

	BoT Approved Amt.	Projected	Revised	Actual
--	-------------------	-----------	---------	--------

PLANNING

Arch/Engr Approved by BoT	\$221,102.00	12/07/2007		
---------------------------	--------------	------------	--	--

DESIGN

Schematic Design Approval		02/20/2008		
---------------------------	--	------------	--	--

Design Dev Document Approval		02/20/2008		
------------------------------	--	------------	--	--

Construction Document Approval		03/10/2008		
--------------------------------	--	------------	--	--

BIDDING

Bidding Approved BoT	\$221,102.00	12/07/2007		
----------------------	--------------	------------	--	--

Bid Opening		04/20/2008		
-------------	--	------------	--	--

CONSTRUCTION

Construction Start		06/12/2008		
--------------------	--	------------	--	--

Completion		09/20/2008		
------------	--	------------	--	--

**Project Team:**

Project Manager: Jack Bargaheiser (bargaheiser.2@osu.edu)

Project Coordinator: Megan Balonier (Balonier.2@osu.edu)



MacQuigg Lab Elevator Upgrade  
OSU-071530

Requesting Agency(s): FACILITIES OPERATIONS AND DEVELOPMENT

Location(s): MacQuigg Laboratory, Charles E. 48,719 ASF/76,810 GSF Age: 1967

Description:  
This project will upgrade the existing elevator in MacQuigg Laboratory.

Project Information:  
The upgrades are required to address code issues and to ensure continued safe operation.

How does this project advance the Academic Plan? This project advances the Academic Plan by improving the teaching and learning environment, improving building infrastructure.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Deferred Maintenance: This project will address \$315,600 in deferred maintenance.

Deferred Renewal: None

Source of Funds:	Amount
HB699 Columbus Basic Renovation	\$395,888.00
Total:	\$395,888.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$395,888.00	12/07/2007		
DESIGN				
Schematic Design Approval		05/24/2008		
Design Dev Document Approval		05/24/2008		
Construction Document Approval		09/07/2008		
BIDDING				
Bidding Approved BoT	\$395,888.00	12/07/2007		
Bid Opening		11/14/2008		
CONSTRUCTION				
Construction Start		01/14/2009		
Completion		04/14/2009		

Project Team:  
Project Manager: Mark Stelzer (stelzer.28@osu.edu) Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



Mansfield Campus - Roof Replacements and Renovations

OSU-071564

Requesting Agency(s): MANSFIELD CAMPUS

Location(s):	Ovalwood Hall	56,162 ASF / 96,592 GSF	Age: 1966
Location(s):	Eisenhower Memorial Center, Dwight D	20,926 ASF / 34,096 GSF	Age: 1968
Location(s):	Bromfield Hall, Louis	52,705 ASF / 73,154 GSF	Age: 1976

**Description:**  
This project will replace the entire roof on Eisenhower Hall Student Union. It will renovate the roofs of Bromfield Hall, Ovalwood Hall, and Founders Hall by sealing seams and applying an elastomeric coating system.

**Project Information:**

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving the teaching and learning environment, improving campus facilities.

**Outstanding Funding Issues:** None

**Timing Issues:** Roof work must be completed during the summer months.

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

<b>Source of Funds:</b>	<b>Amount</b>
HB699 Mansfield Basic Renovation	\$414,847.00
<b>Total:</b>	\$414,847.00

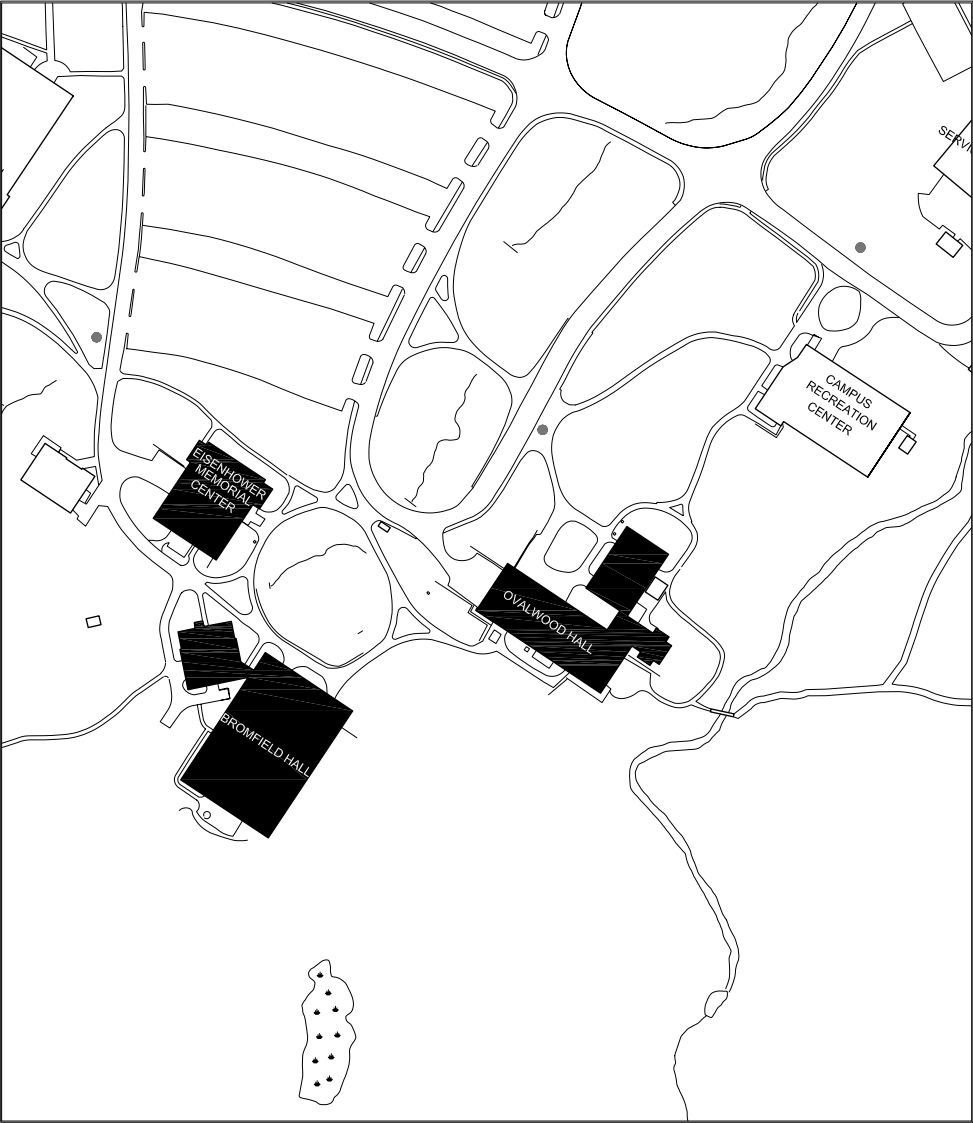
<b>Schedule:</b>	<b>BoT Approved Amt.</b>	<b>Projected</b>	<b>Revised</b>	<b>Actual</b>
PLANNING				
Arch/Engr Approved by BoT	\$414,847.00	12/07/2007		
DESIGN				
Schematic Design Approval		04/01/2008		
Design Dev Document Approval		05/01/2008		
Construction Document Approval		06/30/2008		
BIDDING				
Bidding Approved BoT	\$414,847.00	12/07/2007		
CONSTRUCTION				
Construction Start		06/01/2009		
Completion		09/30/2009		

**Project Team:**

Project Manager: Ruth Miller (miller.2495@osu.edu)	Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)
--	--

Mansfield Campus

- Mansfield Campus - Roof Replacements and Renovations







Medical Tank Farm and Fuel Oil Storage (MCFP)  
OSU-080386

**Requesting Agency(s):** UNIVERSITY HOSPITALS  
**Location(s):** See Project Information **ASF/0 GSF Age:**

**Description:**  
This project will relocate the existing medical tank farm and fuel oil storage facilities, per the Medical Center Master Plan.

**Project Information:**  
Relocation is necessary to clear the site for the Hospital Expansion. The new facilities will be located between Atwell Hall and Murray Hall, and must be installed and operational before the current facilities are removed.  
**How does this project advance the Academic Plan?** This project enables the Medical Center Facilities Master Plan, which will support continued clinical, teaching and research missions at Ohio State University.

**Outstanding Funding Issues:** None

**Timing Issues:** None

**"Ripple effects" of the project:** This project will clear the site for the Hospital Expansion project.

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

Source of Funds:	Amount
Univ. Bond Proceeds	\$1,500,000.00
<b>Total:</b>	\$1,500,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$1,500,000.00	12/07/2007		
BIDDING				
Bid Opening		09/01/2008		
CONSTRUCTION				
Completion		05/31/2009		
Construction Start		11/01/2009		

**Project Team:**  
Project Manager: Paul Lenz (lenz.3@osu.edu) Project Coordinator: Curt Handschug (handschug.1@osu.edu)



Mershon Auditorium Air Handling Unit and Heating Renovations

OSU-071524

Requesting Agency(s): FACILITIES OPERATIONS AND DEVELOPMENT

Location(s): Mershon Auditorium, Col. Ralph D. 52,271 ASF/121,226 GSF Age: 1957

Description:  
This project will include the renovation and/or replacement of the two main air handling units.

Project Information:  
The mechanical systems are past their life expectancy and require replacement or complete renovation.

How does this project advance the Academic Plan? This project advances the Academic Plan by improving the teaching and learning environment and addressing campus building infrastructure.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Deferred Maintenance: This project addresses \$1,056,200 in deferred maintenance.

Deferred Renewal: None

Source of Funds:	Amount
HB699 Columbus Basic Renovation	\$2,613,245.00
Total:	\$2,613,245.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$2,613,245.00	12/07/2007		
DESIGN				
Schematic Design Approval		07/01/2008		
Design Dev Document Approval		09/15/2008		
Construction Document Approval		12/22/2008		
BIDDING				
Bid Opening		01/27/2009		
CONSTRUCTION				
Construction Start		03/29/2009		
Completion		02/02/2010		

Project Team:  
Project Manager: Mark Stelzer (stelzer.28@osu.edu) Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



## Raney Commons - Roof Replacement

OSU-080344

**Requesting Agency(s):** STUDENT AFFAIRS FACILITIES

**Location(s):** Raney Commons, 2nd Lt. Alice R.

20,908 ASF/36,561 GSF Age: 1967

**Description:**

This project will replace the roof of Raney Commons. The roof system is failing and requires complete replacement.

**Project Information:**

This project will be funded with 2009 University Bonds.

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving student facilities and campus infrastructure.

**Outstanding Funding Issues:** None

**Timing Issues:** None

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** This project addresses \$219,400 in deferred maintenance.

**Deferred Renewal:** None

Source of Funds:	Amount
Univ. Bond Proceeds	\$554,000.00
<b>Total:</b>	\$554,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$554,000.00	12/07/2007		
DESIGN				
Schematic Design Approval		05/14/2008		
Design Dev Document Approval		07/27/2008		
Construction Document Approval		11/10/2008		
BIDDING				
Bidding Approved BoT	\$554,000.00	12/07/2007		
Bid Opening		01/02/2009		
CONSTRUCTION				
Construction Start		03/03/2009		
Completion		06/01/2009		

**Project Team:**

Project Manager: Brendan Flaherty

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



## Schottenstein Center - Basketball Practice Facility

OSU-080363

**Requesting Agency(s):** STUDENT AFFAIRS, OFFICE OF

**Requesting Agency(s):** ATHLETICS

**Location(s):** Schottenstein Center, Jerome

297,518 ASF/581,427 GSF Age: 1998

**Description:**

This project will construct an addition of approximately 40,000 SF to the Schottenstein Center for a basketball practice facility and coaches offices.

**Project Information:**

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving the student athletic facilities.

**Outstanding Funding Issues:** None

**Timing Issues:** Due to Athletics business objectives, this project has an aggressive schedule. As a result, Risk Contingency is included in the project budget.

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

Source of Funds:	Amount
Auxiliaries-Student Affairs	\$0.00
Auxiliaries-Athletics	\$2,000,000.00
Development-Athletics	\$20,000,000.00
<b>Total:</b>	\$22,000,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$22,000,000.00	12/07/2007		
DESIGN				
Schematic Design Approval		07/29/2008		
Design Dev Document Approval		11/12/2008		
Construction Document Approval		03/28/2009		
BIDDING				
Bid Opening		05/19/2009		
CONSTRUCTION				
Construction Start		07/19/2009		
Completion		11/17/2010		

**Project Team:**

Project Manager: Alex Flores (flores.109@osu.edu)

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



## South High Rise Bathroom and AC

OSU-080397

**Requesting Agency(s):** STUDENT AFFAIRS, OFFICE OF

**Location(s):** Stradley Hall, Bland L.

60,558 ASF/102,251 GSF Age: 1959

**Location(s):** Smith Hall, Howard Dwight

60,149 ASF/102,742 GSF Age: 1959

### Description:

This project will renovate Smith Hall and Stradley Hall to provide air conditioning, restroom renovations and renovations to the public spaces throughout the buildings.

### Project Information:

Air conditioning will be provided either through new building units or by connecting to the campus chilled water loop. All required electrical and infrastructure upgrades are also included in the project.

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving the on campus student residence facilities and improving campus infrastructure.

**Outstanding Funding Issues:** This project is funded by 2009 bonds (\$7M) and 2011 bonds. Student Affairs has identified an interim funding source until bond proceeds are available.

**Timing Issues:** None

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

### Source of Funds:

#### Amount

Univ. Bond Proceeds

\$34,300,000.00

### Total:

\$34,300,000.00

### Schedule:

#### BoT Approved Amt.

#### Projected

#### Revised

#### Actual

#### PLANNING

Arch/Engr Approved by BoT

\$34,300,000.00

12/07/2007

#### DESIGN

Arch/Engr Contract

05/15/2008

Schematic Design Approval

06/20/2008

Design Dev Document Approval

08/11/2008

Construction Document Approval

11/07/2008

#### BIDDING

Bid Opening

01/14/2009

#### CONSTRUCTION

Construction Start

03/16/2009

Completion

04/11/2011

### Project Team:

Project Manager: Cihangir Calis (calis.1@osu.edu)

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



## Taylor Tower - Elevator Upgrade

OSU-080264

**Requesting Agency(s):** STUDENT AFFAIRS FACILITIES

**Location(s):** Taylor Tower, Jacob B.

74,782 ASF/143,051 GSF Age: 1966

**Description:**

This project will upgrade four existing elevator systems in Taylor Tower.

**Project Information:**

The upgrade will address code issues, including ADA and high rise code compliance, along with general upgrade of system components. This project is funded with 2009 bonds.

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving the on campus student living environment and improving facility safety by upgrading the elevators.

**Outstanding Funding Issues:** None

**Timing Issues:** This project will renovate two elevators at a time so all four elevators are not down at the same time.

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

**Source of Funds:**

**Amount**

Univ. Bond Proceeds \$1,520,200.00

**Total:** \$1,520,200.00

**Schedule:**

**BoT Approved Amt.**

**Projected**

**Revised**

**Actual**

**PLANNING**

Arch/Engr Approved by BoT

\$1,520,200.00

12/07/2007

**DESIGN**

Schematic Design Approval

04/12/2008

Design Dev Document Approval

04/12/2008

Construction Document Approval

06/27/2008

**BIDDING**

Bid Opening

08/18/2008

**CONSTRUCTION**

Construction Start

10/18/2008

Completion

06/17/2009

**Project Team:**

Project Manager: Mark Stelzer (stelzer.28@osu.edu)

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



Watts Hall Elevator Upgrades  
OSU-071529

Requesting Agency(s): FACILITIES OPERATIONS AND DEVELOPMENT

Location(s): Watts Hall, Arthur S. 20,905 ASF/35,466 GSF Age: 1955

Description:  
This project will upgrade the current elevator in Watts Hall.

Project Information:  
The upgrades are required to address code issues and to ensure continued safe operation.

How does this project advance the Academic Plan? This project advances the Academic Plan by improving the teaching and learning environment, improving building infrastructure.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Deferred Maintenance: This project will address \$143,200 in deferred maintenance.

Deferred Renewal: None

Source of Funds:	Amount
HB699 Columbus Basic Renovation	\$329,906.00
Total:	\$329,906.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$329,906.00	12/07/2007		
DESIGN				
Schematic Design Approval		05/24/2008		
Design Dev Document Approval		05/24/2008		
Construction Document Approval		09/07/2008		
BIDDING				
Bidding Approved BoT	\$329,906.00	12/07/2007		
Bid Opening		11/14/2008		
CONSTRUCTION				
Construction Start		01/14/2009		
Completion		04/14/2009		

Project Team:  
Project Manager: Mark Stelzer (stelzer.28@osu.edu) Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



# Wilce Student Health Center - Phase 4

OSU-080312

**Requesting Agency(s):** STUDENT AFFAIRS FACILITIES

**Location(s):** Wilce Student Health Center, John W

31,093 ASF/53,768 GSF Age: 1970

**Description:**

This project will renovate various parts of the ground, first and second floors that were not renovated by earlier phases. The spaces renovated will include corridors, restrooms and space for provider-based services. This project will complete an extensive renovation of the building that has occurred over the past ten years.

**Project Information:**

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving student services and student facilities.

**Outstanding Funding Issues:** This project will be funded with 2009 and 2011 University bond proceeds. Student Affairs has identified an interim funding source until bonds are available.

**Timing Issues:** None

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

Source of Funds:	Amount
Univ. Bond Proceeds	\$10,006,184.00
<b>Total:</b>	\$10,006,184.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$10,006,184.00	12/07/2007		
DESIGN				
Schematic Design Approval		08/26/2008		
Design Dev Document Approval		10/29/2008		
Construction Document Approval		01/25/2009		
BIDDING				
Bid Opening		03/01/2009		
CONSTRUCTION				
Construction Start		05/01/2009		
Completion		07/01/2010		

**Project Team:**

Project Manager: Nikolina Sevis (sevis.2@osu.edu)

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)





# William H. Hall Housing Complex Expansion

OSU-072292

**Requesting Agency(s):** STUDENT AFFAIRS FACILITIES

**Location(s):** See Project Information

**ASF/0 GSF Age:**

**Description:**

This project will construct a new 58,500 GSF housing facility with apartment-style housing for 160 students. Each unit will house four students and include two bedrooms and two baths. The new facility will be located at Worthington Street and Ninth Avenue.

**Project Information:**

This is the second building of a planned three-building complex. This project will include the demolition of University-owned rental properties currently occupying the site. Student Affairs will seek LEED certification for this project.

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving the on campus teaching, learning and living environment.

**Outstanding Funding Issues:** This project is funded with 2009 University bond proceeds; Student Affairs has identified an interim funding source until the bond proceeds become available.

**Timing Issues:** None

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

Source of Funds:	Amount
Univ. Bond Proceeds	\$15,100,000.00
<b>Total:</b>	\$15,100,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$15,100,000.00	12/07/2007		
DESIGN				
Schematic Design Approval		08/31/2008		
Design Dev Document Approval		02/28/2009		
Construction Document Approval		08/31/2009		
BIDDING				
Bid Opening		10/01/2009		
CONSTRUCTION				
Construction Start		12/01/2009		
Completion		06/30/2011		

**Project Team:**

Project Manager: Ruth Miller (miller.2495@osu.edu)

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



## 9th Avenue Parking Garage Expansion (MCFP)

315-2006-925

**Requesting Agency(s):** TRANSPORTATION & PARKING SERVICES

**Location(s):** Parking Garage F (9th Ave)

354,648 ASF/369,421 GSF Age: 1980

**Location(s):** See Project Information

ASF/0 GSF Age:

### Description:

This project will construct a 1,000 car parking structure east of the existing 9th Avenue garage.

### Project Information:

This project is part of the approved Medical Center Facilities Plan - South Campus Implementation, originally approved on November 4, 2005 by the Board of Trustees as Medical Center Facility Master Plan - Clinical Expansion Projects.

**How does this project advance the Academic Plan?** Enables the Medical Center Facilities Plan, which will support continued clinical, teaching and research missions at Ohio State.

**Outstanding Funding Issues:** Transportation and Parking is responsible for the 9th Avenue parking structure and their funding is available in 2011. In order to maintain the Medical Center Facilities Plan Implementation schedule, the Medical Center will fund this project with 2007 bonds until Transportation and Parking's funding is received.

**Timing Issues:** None

**"Ripple effects" of the project:** The short term loss of surface parking will be made up by the Medical Center Express Bus Service in conjunction with the renovation of the existing 9th Avenue parking garage and paving the surface lot west of Cannon Drive.

**Special limitations/risks:** None

**Deferred Maintenance:** None

**Deferred Renewal:** None

### Source of Funds:

	Amount
Auxiliaries-OSUMC Health Systems DEBT SERVICE	\$3,600,000.00
Univ. Bond Proceeds	\$18,087,674.00

**Total:** \$21,687,674.00

### Schedule:

	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$21,687,674.00	07/07/2006		07/07/2006
DESIGN				
Arch/Engr Contract		12/18/2006	03/30/2007	03/22/2007
Schematic Design Approval		07/01/2007	09/03/2007	09/03/2007
Design Dev Document Approval		08/01/2007	11/05/2007	11/05/2007
Construction Document Approval		11/30/2007	02/01/2008	11/05/2007
BIDDING				
Bidding Approved BoT	\$21,687,674.00	12/07/2007		
Bid Opening		01/31/2008	01/15/2008	
CONSTRUCTION				
Construction Start		12/17/2007	04/28/2008	
Completion		05/01/2008	04/30/2009	

### Project Team:

Project Manager: Charlie Conner (conner.26@osu.edu)

Project Coordinator: Curt Handschug (handschug.1@osu.edu)

HELLMUTH OBATA & KASSABAUM INC - Design

JACOBS FACILITIES INC - Construction Management



# Canfield Hall - Bathroom Renovations

315-07-2181

**Requesting Agency(s):** STUDENT AFFAIRS, OFFICE OF

**Location(s):** Canfield Hall, James H.

36,012 ASF/61,020 GSF Age: 1940

**Description:**

This project will renovate the restrooms in Canfield Hall, creating private bathrooms for residents. This project will also upgrade the original electrical distribution gear and branch panels to support the renovation.

**Project Information:**

The project will reconfigure the existing bathrooms into approximately six private bathrooms per floor. The project will determine the location and quantity of necessary ADA accommodations. The conceptual budget was adjusted during design due scope modifications (electrical upgrades and accessible restrooms) and inflationary adjustments. This project is funded with 2007 bonds.

**How does this project advance the Academic Plan?** This project advances the Academic Plan by improving the quality of student facilities.

**Outstanding Funding Issues:** None

**Timing Issues:** This project must be completed during a summer quarter and completed and ready for student occupancy in the fall.

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** This project will address approximately \$750,000 of deferred maintenance.

**Deferred Renewal:** None

Source of Funds:	Amount
Univ. Bond Proceeds	\$2,490,280.00
<b>Total:</b>	\$2,490,280.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$1,430,767.00	05/04/2007		05/04/2007
DESIGN				
Schematic Design Approval		09/01/2007	10/24/2007	10/24/2007
Design Dev Document Approval		10/01/2007	10/24/2007	10/24/2007
Construction Document Approval		11/01/2007	12/01/2007	
BIDDING				
Bidding Approved BoT	\$2,490,280.00	12/07/2007		
CONSTRUCTION				
Construction Start		06/10/2008	06/26/2008	
Completion		08/15/2008	09/01/2008	

**Project Team:**

Project Manager: Pat Purtee (purtee.12@osu.edu)

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)

RENOUVEAU DESIGN, INC. - Design



## Lane Avenue Parking Garage

315-2005-992-1

**Requesting Agency(s):** TRANSPORTATION & PARKING SERVICES

**Location(s):** See Project Information

**ASF/0 GSF Age:**

**Description:**

This project will construct a new 1,400 space, nine-level parking garage adjacent to the new Student Academic Services Building. The garage will be constructed on an existing surface lot and will result in a net increase of 1,000 spaces.

**Project Information:**

The parking garage will be located on the existing parking lot south of Lane Avenue, between Neil Avenue and Tuttle Park Place. A portion of the parking garage (up to 500 spaces) will be opened for fall quarter 2009 to allow Transportation and Parking to recoup some of the loss due to the removal of the surface lot.

**How does this project advance the Academic Plan?** The parking garage will support the new Student Academic Services Building by providing necessary parking, in addition it will provide parking for faculty, staff, students and visitors in the north quadrant of campus.

**Outstanding Funding Issues:** Bonds will be paid through parking fees (permits and hourly rates).

**Timing Issues:** None

**"Ripple effects" of the project:** None

**Special limitations/risks:** Project will be coordinated with the Student Academic Services Building project.

**Deferred Maintenance:** None

**Deferred Renewal:** None

Source of Funds:	Amount
Univ. Bond Proceeds	\$28,000,000.00
Auxiliaries-Trans. & Parking	\$0.00
<b>Total:</b>	\$28,000,000.00

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$32,060,000.00	09/23/2005		09/23/2005
BIDDING				
Bidding Approved BoT	\$28,000,000.00	12/07/2007		
Bid Opening		11/30/2007	02/28/2008	
CONSTRUCTION				
Construction Start		09/01/2006	03/28/2008	
Completion		09/01/2007	12/02/2009	
CLOSE OUT				
Occupancy (Partial occupancy)		09/23/2009		

**Project Team:**

Project Manager: Margaret Murphy (murphy.641@osu.edu)

Project Coordinator: Leeanne Chandler (chandler.63@osu.edu)

ACOCK ASSOCIATES ARCHITECTS - Design

RUSCILLI CONSTRUCTION - Construction Management



Morrison Tower - Fan Coil Unit Replacement

315-07-2030

Requesting Agency(s): STUDENT AFFAIRS, OFFICE OF

Location(s): Morrison Tower, Mary Franc

55,002 ASF/99,916 GSF Age: 1962

Description:

This project will update heating in each room by replacing the fan coil units in the resident rooms and common areas in Morrison Tower.

Project Information:

Project includes some hazardous materials abatement. The conceptual budget was revised during design to account for inflation, increases in material prices and some minor scope adjustments.

How does this project advance the Academic Plan? This project advances the academic plan by improving the on campus student living environment.

Outstanding Funding Issues: This project will be funded with 2009 University bonds; Student Affairs has identified an interim funding source until bond proceeds become available.

Timing Issues: This project must occur over the summer, when the dormitory is not in use, and must be completed by fall quarter.

"Ripple effects" of the project: None

Special limitations/risks: None

Deferred Maintenance: This project addresses \$849,286 in deferred maintenance.

Deferred Renewal: None

Source of Funds:

	Amount
Univ. Bond Proceeds	\$2,090,012.00

Total: \$2,090,012.00

Schedule:

	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$1,800,000.00	02/02/2007		02/02/2007
DESIGN				
Schematic Design Approval		10/25/2007		10/25/2007
Design Dev Document Approval		11/16/2007		
Construction Document Approval		12/07/2007		
BIDDING				
Bidding Approved BoT	\$2,090,012.00	12/07/2007		
Bid Opening		02/22/2008		
CONSTRUCTION				
Construction Start		07/01/2007	06/09/2008	
Completion		09/15/2007	08/15/2008	

Project Team:

Project Manager: Cihangir Calis (calis.1@osu.edu)  
LARSEN ENGINEERING - Design

Project Coordinator: Laura Kembitzky (kembitzky.2@osu.edu)



Student Academic Services Building  
315-2005-992-2

Requesting Agency(s): BUSINESS & FINANCE, OFFICE OF

Location(s): See Project Information

ASF/0 GSF Age:

Description:

Construct a new, approximately 125,400 GSF building to accommodate core student services functions. These services will relocate from Lincoln Tower, allowing it to be converted back to residence halls.

Project Information:

This project includes roof and fall protection work for the Lane Avenue Garage.

How does this project advance the Academic Plan? The new Student Academic Services Building will provide improved efficiencies of space (net reduction of 13% or 12,200 ASF). It will allow the student services functions to be more accessible to students and visitors, and will allow Lincoln Tower to be returned to housing, which is consistent with the University's long term housing plan.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: This project will enable the project to return Linclon Tower to student resident rooms.

Special limitations/risks: Project will be coordinated with the Lane Avenue Garage project.

Deferred Maintenance: None

Deferred Renewal: None

Source of Funds:	Amount
Central Funding	\$32,500,000.00
<b>Total:</b>	<b>\$32,500,000.00</b>

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$29,200,000.00	09/23/2005		09/23/2005
DESIGN				
Design Dev Document Approval		08/31/2007		08/31/2007
Construction Document Approval		12/13/2007		
BIDDING				
Bidding Approved BoT	\$32,500,000.00	12/07/2007		
Bid Opening		04/01/2008	02/26/2008	
CONSTRUCTION				
Construction Start		04/01/2007	03/26/2008	
Completion		08/30/2008	12/22/2009	

Project Team:

Project Manager: Margaret Murphy (murphy.641@osu.edu)  
ACOCK ASSOCIATES ARCHITECTS - Design  
HORIZON ENGINEERING ASSOCIATES, LLP - Commissioning  
RUSCILLI CONSTRUCTION - Construction Management

Project Coordinator: Leeanne Chandler (chandler.63@osu.edu)



# Larkins Hall - Condensate Piping Replacement

315-2005-937

**Requesting Agency(s):** FACILITIES OPERATIONS AND DEVELOPMENT

**Location(s):** Unidentified Utility, Col.

**ASF/0 GSF Age:**

**Description:**

This project will replace the steam and condensate line between RPAC (formerly Larkins Hall) and the Neil Avenue Parking Garage. This project includes asbestos abatement, removal of existing steel piping from the utility tunnel and approximately 670 lineal feet of new piping.

**Project Information:**

The project budget has increased due to materials cost inflation.

**How does this project advance the Academic Plan?** The project will provide increased reliability and maintenance access to the steam condensate line between RPAC and Neil Avenue Parking Garage.

**Outstanding Funding Issues:** None

**Timing Issues:** Construction work needs to occur during the summer cooling season.

**"Ripple effects" of the project:** None

**Special limitations/risks:** None

**Deferred Maintenance:** This project will address \$168,400 in deferred maintenance.

**Deferred Renewal:** None

Source of Funds:	Amount
HB16 Columbus Basic Renovation	\$210,000.00
Repair & Renovation Fiscal Yr 2008	\$42,502.50
<b>Total:</b>	<b>\$252,502.50</b>

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$210,000.00	07/07/2006		07/07/2006
Arch/Engr Advertisement (Ohio Register #157)				09/01/2006
DESIGN				
Arch/Engr Contract				06/05/2007
BIDDING				
Bidding Approved BoT	\$210,000.00	04/06/2007		04/06/2007
Bid Opening		07/18/2007	10/25/2007	10/25/2007
Bidding Approved BoT (Project Increase)	\$252,502.50	12/07/2007		
Bid Opening (Re-bid)		01/24/2008		
CONSTRUCTION				
Construction Start		06/28/2007	03/24/2008	
Completion		09/21/2007	07/25/2008	

**Project Team:**

Project Manager: Jake Johnson  
FOSDICK & HILMER INC - Design

Project Coordinator: Peter Crawford (crawford.502@osu.edu)





**Five-Year Lease  
OSU Medical Center Comprehensive Transplant Center  
Relocation and Expansion  
760 Kinnear Road  
Columbus, Ohio 43212**

**Background**

**Location and Description**

The property to be leased is located at 760 Kinnear Road adjacent to the current location of The Ohio State University Medical Center Comprehensive Transplant Center (CTC) at 770 Kinnear Road. The proposal provides for the relocation and expansion of the general office space that supports the transplant program. The transplant clinical medical office will still be located at 770 Kinnear Road. OSUMC will lease approximately 15,000 SF of space which includes 5,000 SF of office space on the first floor and 10,000 SF of office space on the second floor of the building. The balance of the 20,000 SF building will be occupied by Battelle Employees Credit Union, owner of the property. This leased facility will satisfy a requirement of the Medical Center to provide the Comprehensive Transplant Center a suitable building and location for office space to support the program. All costs, lease payments, and any other expenses related to the property will be funded by the operations revenue of the Comprehensive Transplant Center.

**Terms of Lease**

The lease term shall be for a period of five (5) years with two five-year renewal options. Although not fully negotiated, the landlord has proposed a base rent for the lease premises of \$26,812.50 per month during the 5-year term or \$321,750 annually (\$21.45/SF) which includes taxes, maintenance, utilities, janitorial services and other operating expenses associated with the property. The landlord's estimate for operating expenses is \$7.91/SF. The aggregate rental over the initial lease term will exceed \$1.6 million. Additionally, the landlord will separate the lease premises from the balance of the building at their costs and will provide a tenant improvement allowance of \$100,000. Any tenant requirements that exceed the allowance will be an expense of CTC. Lease terms and conditions currently proposed by the landlord will be further reviewed and negotiated until a final lease is acceptable to the parties. The anticipated lease commencement date and occupancy is July 1, 2008. The terms and conditions of the lease will be negotiated in the best interest of the OSU Medical Center and the University.



## ATTACHMENT

**ITEM:** A Board resolution authorizing the Office of Human Resources (OHR) and Managed Health Care Systems (MHCS) to enter into a contract with the Pharmacy Benefit Manager (PBM), Express Scripts (ESI), with the signature authority of the Senior Vice President for Business and Finance.

**SUMMARY:** In constant pursuit of cost savings, OHR, MHCS, and Purchasing worked closely with three of the Ohio retirement systems for over one year to create a very large pharmacy benefit purchasing collaborative for Ohio public employers that will result in substantial savings for all entities.

The four original sponsors of the **Rx Ohio Collaborative (RxOC)** are Ohio Public Employees Retirement System (Ohio PERS), State Teachers Retirement System (STRS Ohio), School Employees Retirement System (SERS Ohio), and The Ohio State University. The three retirement systems have each individually signed the contract with ESI.

If approved, ESI will begin providing services to OSU as of January 1, 2008. OSU provided Medco with a 180-day notice to verify that we will be terminating their services as of December 31, 2007 and utilizing the services of a different PBM. Medco has committed to continue a high level of service through the remainder of the contract and to be supportive in the University's transition to the new PBM.

**SUCSESSES:** The most attractive component of the new PBM contract with ESI is the significant cost reduction the University will realize during the three-year term of the contract. **Hewitt Associates, who was commissioned to independently examine the new contract, projected savings of 7.2% over three years or approximately \$3.28 million per year.** This cost savings will apply to the demonstrated annual savings amount that the University will report to the Chancellor of the Board of Regents, per House Bill 119. Additionally, approximately \$23 million in drug spend will apply to the University's overall collaborative spend that is reported to the Chancellor.

The pharmacy benefit purchasing collaborative is a demonstration of Ohio public entities working together for over one year to realize a contract with a PBM that provides significant savings, improved contract terms, and supports innovative programs that will align the payor and provider with incentives to improve outcomes for members. OSU will continue working with the retirement systems to establish innovative programs and access to the contract for other Ohio public entities, especially IUC institutions.

Faculty and staff will see only a minimum of administrative coverage changes in 2008 and will benefit directly from deeper pharmacy discounts. Each RxOC entity will retain control of its own plan design and other operational components such as the Prescription Drug Formulary. No changes in member co-payment, coinsurance or annual out-of-pocket amounts were implemented in 2008 due to the projected cost savings brought about by the new contract.

**FOR QUESTIONS, CONTACT:**

Larry Lewellen      292-4164, [Lewellen.1@osu.edu](mailto:Lewellen.1@osu.edu)



**The Ohio State University**  
**College of Food, Agricultural, and Environmental Sciences**  
**One-Time Separation Incentive Program (SIP) for FY2007-08**

Rationale

The College of Food, Agricultural, and Environmental Sciences (FAES) was most appreciative of the line item increases received for OARDC and OSU Extension for FY2008 and FY2009. These funds along with General Funds from OSU and federal funding are the primary sources of funding for most of the faculty and staff salaries, Extension, and research programs. However, combined with flat federal budgets received in the last several years, these increases are not enough to avoid budget cuts to cover the current estimated \$4.7 million shortfall. This follows a similar shortfall for the FY2006-2007 biennium and funding reductions received by OSU Extension and the Ohio Agricultural Research and Development Center (OARDC) in their State of Ohio line items in FY2004 and FY2005.

Both OARDC and OSU Extension are housed within FAES. Many of the faculty and staff positions funded in part by these two units are also funded by other funding sources in the College, particularly by the General Funds Budget.

In 2004, as approved by the Board of Trustees, the College implemented a separation incentive program to minimize the number of staff reductions that would be necessary to help address these funding shortfalls. At that time, it was estimated that at least 303 of the College's employees were eligible to retire. In the end, 50 faculty and staff members requested the separation incentive program: 18 faculty members, 13 unclassified staff members, and 19 classified staff members. These individuals' salaries totaled \$2.84 million. It was estimated that the College achieved \$844,500 in salary savings by not refilling some positions or filling them at a lower salary. These figures do not include the commensurate savings in benefits costs. Just as importantly, the program also reduced the number of staff reductions in force that were implemented.

The College proposes the adoption of another formal one-time Separation Incentive Program with guidelines outlining appropriate eligibility, periods of notice, and limitations. This program will assist the College in addressing short-term financial demands, and will assist in a speedier transition process toward achieving sustainable levels of employees and programs.

To provide additional rationale for offering another SIP, it should be noted that of the total employees within the College and all of its entities, 122 have 30 or more years of service. Of the employees with fewer than 30 years of service, 720 are age 50 or greater and 160 are age 60 or greater. It is possible that many of these individuals have additional years of service elsewhere. Hypothetical scenarios were developed to demonstrate what might happen if 5%, 10% or 20% of these employees would opt to retire, and in turn, various ranges of these positions were filled at lesser salaries.

Although the hypothetical savings vary dramatically based on the specific figures used, the potential to free up annual commitments is great. In addition, the SIP offers a positive alternative that we can offer to our employees for reducing faculty and staff positions and could mitigate the number of reductions in force that will be needed.

**The Ohio State University**  
**College of Food, Agricultural, and Environmental Sciences**  
**One-Time Separation Incentive Program (SIP) for FY2007-08 (contd)**

PROGRAM OUTLINE

Eligibility

- Regular Unclassified staff members who are paid from State or Federal non-earmarked funds and are eligible for retirement (as defined by STRS or OPERS regulations) on or before June 30, 2008. Seasonal, temporary, grant (OSURF), or county-funded employees are not included in the program.
- Regular Classified Civil Service staff members who are paid from State or Federal non-earmarked funds and are eligible for retirement on or before June 30, 2008. Seasonal, temporary, grant (OSURF), or county-funded employees are not included in the program.
- Regular faculty members who are paid from State or Federal non-earmarked funds and are eligible for retirement on or before June 30, 2008.

Eligible employees' positions must have been funded on state and/or federal non-earmarked funds within the last 12 months. See Program Details for final eligibility clarification.

Program Design Overview


- Eligible college employees are entitled to a cash payment equivalent to two months of salary upon date of retirement. This is in addition to normal payout of earned vacation leave and sick leave benefits, according to University policy.
- Eligibility requires that the employee is eligible to retire, and actually retires, under regular STRS and OPERS regulations, effective June 30, 2008 or earlier, but not before the effective date of this program. The effective date is the date of approval by the Board of Trustees and is expected to be December 7, 2007.
- The amount of Separation Incentive will be determined by an individual's regular base pay and prorated by FTE level and funding eligibility. For example, a full-time employee paid an annual salary of \$36,000 will receive one-time Separation Incentive payment in the gross amount of \$6,000. Overtime earnings, supplemental compensation, and any earnings other than regular monthly or biweekly base pay are not included in the computation.
- Any portion of base pay that is from an ineligible funding source will not be included in the computation. Only positions funded by federal and state funding sources from within the College are eligible. Positions funded from other colleges, or from county sources, for example, are not eligible.
- The Incentive payment is subject to applicable payroll taxes.
- This one-time incentive payment will be paid from the account which has funded the individual's payroll costs. One-time incentive pay for faculty appointments will be funded by OSU Extension, OARDC, and General Funds central administrative offices. All other incentive payments are the responsibility of the hiring unit.
- Employees who elect the Separation Incentive would be leaving voluntarily and would therefore be ineligible to receive severance.

## Program Details

- Those intending to pursue this offer must submit written and signed notification (not e-mail) to Vice President Bobby D. Moser by Monday, March 31, 2008 at 5:00 p.m. with a copy sent to the appropriate Associate Dean or Associate Vice President (i.e., Director of OARDC or OSUE Extension, or Associate Dean for Academic Programs or the Director of ATI).
- The Separation Incentive offer will be made available to those who have submitted the required notification and who voluntarily retire on or before June 30, 2008, and after the effective date of this program.
- There is no intention of offering this system-wide as an incentive to seasonal, county, or grant-funded (OSURF) employees.
- No limit has been placed on the number of eligible retirees who may elect to participate; the deadline of June 30, 2008 limits participation in this opportunity.
- This is a one-time incentive program. No plans exist to offer the same plan in future years.
- College and departmental leaders are not eligible for this program. This includes members of the Vice President's Cabinet and Department Chairpersons/School Directors.
- For questions: Extension employees may contact Marge Hall (Hall.38@osu.edu); OARDC support unit employees may contact Eileen Kieffaber (Kieffaber.1@osu.edu); and employees from academic units may contact Linda Riemenschneider (Riemenschneider.7@osu.edu). Anyone who would like to explore the program in confidence may do so with the Office of Human Resources, Consulting Services, by contacting Marjie Hamlett at hamlett.5@osu.edu.








# Debt Management Report

## The Ohio State University

### Board of Trustees

#### December 7, 2007


William J. Shkurti  
Senior Vice President for Business and Finance  
11/27/07



### Topics To Be Addressed

- Context
- Debt Capacity
- Policy Issues
- Conclusions and Next Steps


2



### Context

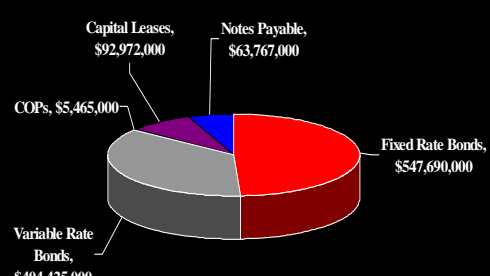
- A. How much debt do we have and what kind?
- B. How is it apportioned?
- C. How has it grown?
- D. What are existing University policies?

3



### Current Debt Structure

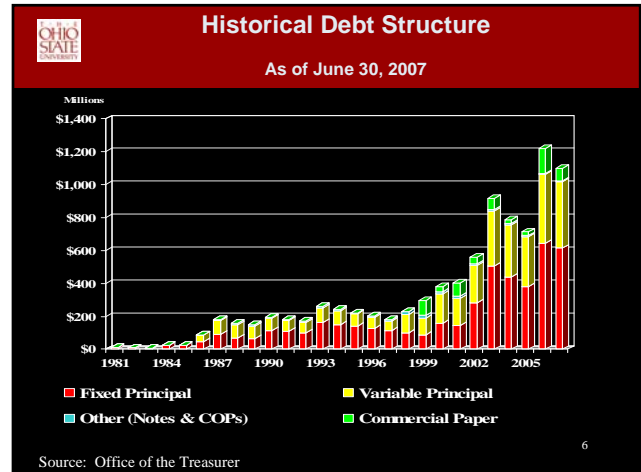
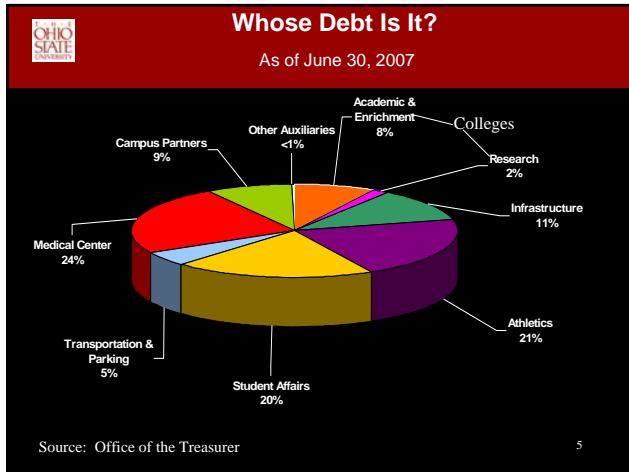
6/30/07    Total = 1.1 Billion



Debt Type	Amount
Fixed Rate Bonds	\$547,690,000
Variable Rate Bonds	\$404,425,000
COPs	\$5,465,000
Capital Leases	\$92,972,000
Notes Payable	\$63,767,000

Source: Office of the Treasurer

4



### What Is Current University Policy?

Board approved, written policy has been in existence for a decade:

- Initial Approval      5/97
- Revised                12/03
- Expanded             5/05

### Key Elements

- Comprehensive: Includes leases, internal loans and lines of credit
- No major capital project initiated without prior Board approval
- No debt is issued without prior Board approval
- Overall limits are approved by the Board before debt is issued
- Credit rating of at least AA must be maintained



## Debt Capacity

- A. What is it?
- B. Why does it matter?
- C. How is it determined?
- D. How does OSU compare?

9



## Debt Capacity: What Is It?

The amount of additional long-term debt that can be issued at a given credit rating

10



## Why Do Credit Ratings Matter?

- Helps determine interest rate for next 20 years
- Used as an external evaluation of financial strength of the institution
- Helps establish a focus for scarce resources
- Once it falls, it is very hard to re-establish

11



## Debt Capacity In Higher Education As A Strategic Concept

- It is not determined by formulas and ratios alone
- Debt capacity reflects complex interplay of multiple factors, include:
  - Market position of “core” businesses
  - Financial Reserves
  - Capital funding profile
  - Operating performance
  - Relationship with the state
  - Management competencies

Source: Moody's Investor Services, Special Comment, August 2002

12



## Debt Capacity As A Strategic Concept Continued

### Additional Considerations

- Not a static concept
- Dependent on institutional risk tolerance
- Revenue generating projects have a different impact than others
- Off balance sheet financing included
- Debt policies are primarily a management tool

Source: Moody's Investor Services, Special Comment, August 2002

13



## OSU Credit Rating v. Benchmarks

University	Rating
Michigan	AAA
Texas – Austin	AAA
Washington	AA1
Minnesota	AA2
Ohio State	AA2
UCLA	AA2
Illinois at Champaign-Urbana	AA3
Arizona	AA3
Wisconsin	NA

Source: Moody's Investor Services, 2007

14



## How OSU Compares (Continued) FY 2006

	Michigan	OSU	UC
Annual Revenues	\$5.4 billion	\$3.7 billion	\$1.0 billion
Debt	\$0.9 billion	\$1.1 billion	\$1.0 billion
Expendable Net Assets	\$6.4 billion	\$1.4 billion	\$0.3 billion
Credit Rating	AAA	AA2	A1 *

\* On negative credit watch

Source: FY 2006 Official Financial Statements

15



## How OSU Compares (Continued)

### OSU versus AA Medians FY 2006

	OSU	AA2	Relative Standing
Financial Resources to Direct Debt	2.3X	2.7X	(-)
Annual Debt Service to Operations	2.4%	2.6%	(+)
Debt Service Coverage	5.7X	3.9X	(+)

Source: Moody's Investor Services

16



## Why Not Try For AAA Rating Like Michigan?

- Would reduce debt capacity making it impossible to meet existing deferred maintenance and other facility needs
- Would require a cash build up that would be difficult to achieve and may create unintended consequences
- Determination not totally under institutional control (e.g., financial health of state government)

17



## Why Not Issue More Debt And Just Take A Lower Rating?

- It will cost more over the long run in terms of higher interest rates
- Shows a lack of institutional focus and leadership
- Once a rating is lowered, it is very hard to re-establish
- It provides a significantly reduced capacity for unforeseen events (e.g., market downturn).

18



## Issues

- Relative Priorities
- Off Balance Sheet Debt
- Future Capacity

19



## Relative Priorities State Capital Appropriations

Unit	Share FY 2007-2008	FY 2009-2010 (Preliminary)	FY 2011-2012 (Preliminary)
Medical Center*	7%	7%	0
Athletics	0	0	0
Student Affairs	0	0	0
Infrastructure	0	0	0
Colleges and Libraries	80%	80%	87%**
Campus Partners	0	0	0
Transportation & Parking	0	0	0
Other	0	0	0
Regionals	13%	13%	13%

\* Medical Center is College of Medicine Only

\*\* Assumes \$58.7M requested for Academic Core North and recommendation regarding remainder of allocation will be determined as part of the 2011-2012 capital process

20



## Relative Priorities – Bond Financing

Unit	Share of Budget	Share of Debt 6/30/07	FY 2008 Issue (Preliminary)	FY 2010 Issue (Preliminary)	FY 2012 Issue (Preliminary)
Medical Center	42%	24%	33%	48%	51%
Athletics	3%	21%	**	**	**
Student Affairs	5%	20%	29%	26%	19%
Infrastructure	2%	11%	17%	11%	27%
Colleges and Libraries	33%	10%	**	**	**
Campus Partners	NA	9%	**	**	**
Transp. & Parking	1%	5%	11%	7%	1%
Other *	10%	**	5%	5%	1%
Regionals	4%	**	6%	3%	1%

\* Other includes Blankenship Renovation, Student Academic Services Building and Airport Improvements.

\*\* May be eligible for limited short term lines of credit.

21



## Off Balance Sheet Debt

"Some universities mistakenly believe that because privatized housing financings are off balance sheet, they are therefore "off credit." Moody's generally views these financings as either direct or indirect debt of the university, depending on how closely tied the project is to the university."

Source: Moody's Investor Services, Special Comment, August 2003

22



## Off Balance Sheet Debt continued

Factors to be considered:

- Does the university or related foundation own the land?
- Does the university have "material involvement" in the marketing, management or leasing of the house?
- Does the university or related foundation benefit from the property's surplus cash flow?

Source: Moody's Investor Services, Special Comment, August 2003

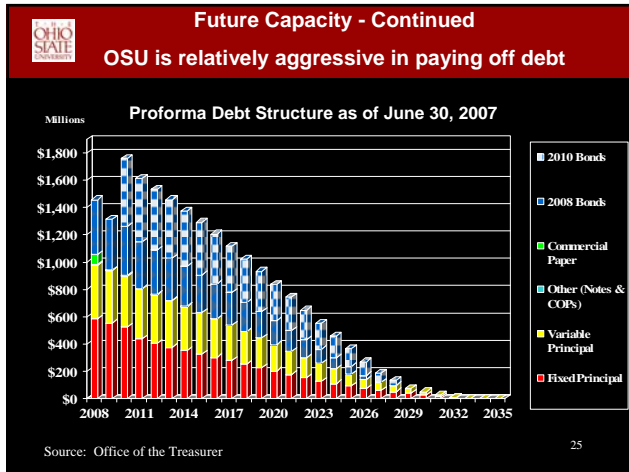
23



## Future Capacity

- Conclusions
  - Bond Issuance FY 2008 @ \$349 Million
    - University should maintain bond rating
  - Bond Issuance FY 2010 @ \$500 Million
    - University could be on the "outer edge" of maintaining current bond rating, but well within the "AA3" rating range

24



**Future Capacity – Continued**  
The approved cap is not a floor

(in millions)

Year of Issue	Approved Cap	Actual Issue
2005	\$400	\$360
2008	\$450	\$349
2010	\$500	TBD

Source: Office of the Treasurer

- Next Steps**
- A. Completion of key elements of capital planning process
1. Review of Strategic Alignment
  2. Housing Task Force Plan
  3. Revised Medical Center Master Facilities Plan
  4. Deferred Maintenance Plan

- Next Steps - Continued**
- B. Resourcing Issues
1. FY 2008 bond issue and visit from rating agencies
  2. State decisions regarding FY 2009 – 2010 capital appropriations
  3. Revised University financial goals



## Conclusion

1. Debt management is a strategic concept. This means it merits senior management and Board involvement to ensure alignment with academic and financial goals.
2. OSU has had a Board approved debt management policy since May, 1997. The latest revision was March, 2005.
3. Continued maintenance of a credit rating of AA2 is most consistent with current and future academic goals and likely financial resources.
4. Maintaining this rating in the future will require discipline in the allocation of debt and careful planning in the management of cash reserves.

29



## Conclusion - Continued

5. Off balance sheet debt may be advantageous in highly selective cases, but is neither a panacea or a substitute for strategic decision making.
6. Priorities are shifting towards deferred maintenance issues regarding infrastructure, student housing and clinical facilities, and away from athletics, student activities (other than housing) and leveraging development funding for projects of individual colleges.
7. The single largest remaining challenge is how to replace the erosion of state capital dollars for renovation and replacement of academic buildings

30